

# TIVOLI

ANNUAL REPORT 2010



# Contents

<b>3</b>	<b>Chairman's Report</b>
<b>4</b>	<b>Financial Highlights</b>
<b>6</b>	<b>Management's Statement and Independent Auditor's Report</b>
<b>8</b>	<b>Supervisory and Executive Boards and Senior Management Team of Tivoli</b>
<b>10</b>	<b>2010 in Retrospect</b>
<b>22</b>	<b>Financial Review</b>
<b>24</b>	<b>Future Plans for Tivoli</b>
<b>26</b>	<b>Tivoli's Corporate Social Responsibility</b>
<b>28</b>	<b>Shareholder Information</b>
<b>29</b>	<b>Corporate Governance</b>
<b>30</b>	<b>Share and Dividend Ratios</b>
<b>32</b>	<b>Income Statement</b>
<b>32</b>	<b>Statement of Comprehensive Income</b>
<b>33</b>	<b>Cash Flow Statement</b>
<b>34</b>	<b>Balance Sheet</b>
<b>36</b>	<b>Statement of Changes in Equity</b>
<b>37</b>	<b>Notes</b>
<b>56</b>	<b>Supplementary Information</b>
<b>58</b>	<b>Tivoli's Sponsors</b>
<b>59</b>	<b>Colophon</b>



## Chairman's Report

2010 was a year that began cold and ended cold. This affected Tivoli in many ways. At the beginning of the year, frost and snow impeded the Petzi's World project, which was delayed. This meant that the new playground universe did not open until one month after the beginning of the summer season. Towards the end of the year, snow and frost put a damper on our visitors' enthusiasm for going on the rides. Instead the cold weather made our visitors go indoors, so many Tivoli restaurants were well-attended and also the Tivoli Aquarium received noticeably more visitors than usual.

In the school summer holidays, the real summer weather set in attracting visitors to Tivoli, who embraced the new initiative with grass on the square in front of the Open Air Stage. Again the autumn holidays brought good crowds to Tivoli's activities during Halloween at Tivoli. Both of these developments bear evidence of continued interest in Tivoli, but overall the attendance figures for 2010 were not satisfactory. The year offered a large number of novelties with wider strategic scope. For example, Petzi's World is not merely a playground, but a meeting between two strong Danish brands creating something new and appealing in the leisure industry based on a shared set of values.

You might say the same about the Tivoli Hotel & Congress Centre, which opened in 2010. This brought Copenhagen its first theme hotel and Tivoli a unique business partner supporting the ambition of extending activities in all links of the

tourism value chain in the effort to become an actual destination park.

In the autumn Tivoli was granted a casino licence with a view to establishing a casino in the H.C. Andersen Castle. This new possibility fits the concept for Tivoli, which has been in the gaming industry for more than 100 years. The casino licence gave rise to developing a new concept for the entire Castle of which the casino will form part. It is the intention to renovate and reopen the Castle with the casino at the end of 2012. In 2010 the discussion of the conditions of tourism sought by us finally began. As a first step in the right direction, VAT on hotel nights was partly removed. Denmark has, however, lost one fifth of its tourists from 2000 to 2009, which has also had major consequences to Tivoli. It is therefore imperative to change the regulatory framework for Danish tourism radically. Being one of the most expensive tourist countries in the world, we must make an effort to reduce the price level eg through removing the VAT in full.

2010 thus offered both challenges and new opportunities for the future. And even though Tivoli had to downgrade its profit expectations for the year, it is positive that we managed to end the year with decent results, considering the circumstances. I therefore take this opportunity to thank Tivoli's many committed employees for their dedicated effort.

**Jørgen Tandrup**  
Chairman of the Supervisory Board

## Financial Highlights



Tivoli had 2,611,000 visitors in the 2010 summer season, 294,000 visitors for Halloween and 791,000 visitors for Christmas at Tivoli.

Thus, the total number of visitors was 3,696,000 in 2010 compared to 3,868,000 in 2009, representing a decline of 4.4%.

The Company's revenue excluding lessees amounted to DKK 622.2 million compared to DKK 622.4 million for 2009. Profit before tax amounted to DKK 9.2 million compared to DKK 21.0 million in 2009.

The Supervisory Board recommends to the Annual General

Meeting that dividend of 25% of profit after tax for the year, corresponding to DKK 1.5 million, be distributed for the year.

### **Expectations for 2011**

The weather and other external factors may have great impact on Tivoli's business and thus the development in profit for the year. The Company is expected to achieve a profit before tax for 2011 at the 2009 level.

### **Subsequent events**

No significant events have occurred after the balance sheet date.

**INCOME STATEMENT 1 JANUARY-31 DECEMBER**

	<b>2010</b> (12 months)	<b>2009</b> (12 months)	<b>2008</b> (9 months)	<b>2007/08</b> (12 months)	<b>2006/07</b> (12 months)
DKK million					
<b>Revenue incl. tenants and lessees</b>	973.1	948.2	951.8	1,031.6	983.9
Revenue	622.2	622.4	569.3	581.7	579.8
Net revenue	580.5	574.8	531.0	535.0	534.2
Expenses before depreciation, amortisation and impairment	538.5	528.5	434.6	481.0	463.5
Earnings before interest, tax, depreciation and amortisation	83.7	93.9	134.7	100.7	116.3
Depreciation, amortisation and impairment	66.2	61.9	44.4	63.6	59.4
Earnings before interest and tax (EBIT)	17.5	32.0	90.3	37.1	56.9
Net financials	-8.3	-11.0	-12.9	-8.7	-4.6
Profit before tax	9.2	21.0	77.4	28.4	52.3
<b>Profit for the year</b>	6.0	15.7	56.5	20.5	37.6
<b>Comprehensive income for the year</b>	4.3	15.9	49.8	20.5	37.6
Non-current assets	864.8	872.4	825.9	801.9	722.2
Current assets	77.3	68.1	72.2	88.9	82.0
Total assets	942.1	940.5	898.1	890.8	804.2
Share capital (Tivoli A/S)	57.2	57.2	57.2	57.2	57.2
Equity	588.4	588.0	580.5	535.8	524.7
Non-current liabilities	100.4	109.2	110.6	3.0	-
Current liabilities	253.3	243.3	207.0	352.0	279.5
Invested capital	798.3	795.7	757.9	784.5	713.1
Cash flows from operating activities	58.0	72.7	153.8	93.5	68.6
Cash flows from investing activities	-58.3	-62.7	-73.8	-140.4	-130.3
Hereof invested in property, plant and equipment	-58.3	-63.8	-68.3	-134.7	-126.5
Cash flows from financing activities	2.4	-19.5	-60.7	41.3	63.2
<b>Total cash flows</b>	2.1	-9.5	19.3	-5.6	1.5

**FIVE YEARS' RATIOS**

	<b>2010</b> (12 months)	<b>2009</b> (12 months)	<b>2008</b> (9 months)	<b>2007/08</b> (12 months)	<b>2006/07</b> (12 months)
EBIT margin	3%	6%	17%	7%	11%
Solvency ratio	62%	63%	65%	60%	65%
Return on equity (ROE)	1%	2.7%	10.1%	3.9%	7.4%
Earnings in DKK, per share of DKK 100 (EPS)	10.5	27.5	98.8	35.9	65.8
Dividend in DKK, per share of DKK 100	2.62	6.87	14.76	9.00	16.44
Share price in DKK, end of year	3,251	3,239	3,000	3,800	4,370
Number of employees <sup>1)</sup>	683	782	818	695	688

1) The number of employees is calculated according to the ATP method.

Key figures and ratios have been calculated in accordance with the "Recommendations and Ratios 2010" issued by the Danish Society of Financial Analysts, except for earnings per share (EPS) and diluted earnings per share (EPS-D) which are calculated in accordance with IAS 33. The basis of accounting applied for all years is IFRS.

# Management's Statement and Independent Auditor's Report

## Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Tivoli A/S for 2010.

The Annual Report was prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2010 and of the results of the Company operations and cash flows for the financial year 1 January – 31 December 2010.

Moreover, in our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 23 March 2011

### Executive Board:

Lars Liebst CEO	Claus Dyhr CFO
--------------------	-------------------

### Supervisory Board:

Jørgen Tandrup Chairman	Mads Lebech Deputy Chairman
----------------------------	--------------------------------

Ulla Brockenhuus-Schack	Tommy Pedersen
-------------------------	----------------

John Høegh Bertelsen	Maria Fergadis
----------------------	----------------

## Independent Auditor's Report

### To the Shareholders of Tivoli A/S

We have audited the Financial Statements of Tivoli A/S for the financial year 1 January - 31 December 2010, pages 35-55. The Financial Statements comprise Income Statement, Statement of Comprehensive Income, Assets, Liabilities and Equity, Statement of Changes in Equity, Cash Flow Statement and Notes for the Company. The Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies. Management's Review, which is not comprised by the audit, is also prepared in accordance with Danish disclosure requirements for listed companies.

### Management's Responsibility for the Annual Report

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies. This responsibility includes: designing, implementing and

maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error. The responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. Furthermore, Management is responsible for preparing a Management's Review that includes a true and fair account in accordance with Danish disclosure requirements for listed companies.

### Auditor's Responsibility and Basis of Opinion

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2010 and of the results of the Company operations and cash flows for the financial year 1 January - 31 December 2010 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.

### Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit performed of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Copenhagen, 23 March 2011

### PricewaterhouseCoopers

State Authorised Accountants

Carsten Gerner  
State Authorised  
Public Accountant

Susanne Funder  
State Authorised  
Public Accountant



## Supervisory and Executive Boards and Senior Management Team of Tivoli 2010

### Supervisory Board

#### Jørgen Tandrup

Born 1947

MSc in Economics and Business Administration.

Appointed Chairman of the Supervisory Board in 2008, joined the Supervisory Board in 2000, dependent.  
Re-elected to the Supervisory Board in 2010. Term of office expires in 2011.

- ❖ Chairman of the Supervisory Board of Danisco A/S, Fritz Hansen A/S, Skandinavisk Holding A/S, Scandinavian Tobacco Group A/S and Skodsborg Sundhedscenter A/S.
- ❖ Deputy Chairman of the Supervisory Board of Chr. Augustinus Fabrikker Aktieselskab.
- ❖ Member of the Supervisory Board of the Augustinus Foundation.

Contact details: Scandinavian Tobacco Group A/S, Sydmarken 42, DK-2860 Søborg

#### Particular expertise:

- ❖ Management experience from a large number of Danish and international companies.
- ❖ Business-to-consumer production, sales and branding experience as former CEO of Scandinavian Tobacco Company A/S.
- ❖ Business policy experience as a member of the Central Board of the Confederation of Danish Industries.

#### Shareholding:

Holding of Tivoli shares at 31 December 2010: 20

Tivoli shares sold in the 2010 financial year: 0

Tivoli shares acquired in the 2010 financial year: 0

#### Mads Lebech

Born 1967

Master of Law.

Appointed Deputy Chairman of the Supervisory Board in 2010, joined the Supervisory Board in 2010, independent.  
Term of office expires in 2011.

- ❖ CEO of the Danish Industry Foundation.
- ❖ Deputy Chairman of CPH City and Port Development.
- ❖ Member of the Supervisory Board of KAB, Privathospitalet Hamlet and Gavdi A/S.

#### Particular expertise:

- ❖ Board experience from Chairmanship of Local Government Denmark, Wonderful Copenhagen, Copenhagen Capacity and Kommunekemi, etc.
- ❖ Political experience as eg Mayor, Chairman of the Greater Copenhagen Development Council, the remuneration and staff committee of Local Government Denmark and Deputy Chairman of the Danish Conservative Party.
- ❖ Strategic development, organisational development and financial management.
- ❖ Promotion of tourism and development of the Danish capital.

#### Shareholding:

Holding of Tivoli shares at 31 December 2010: 1

Tivoli shares sold in the 2010 financial year: 0

Tivoli shares acquired in the 2010 financial year: 1

#### Tommy Pedersen

Born 1949

HD Diploma in Accountancy, Organisation and Strategic Planning.

Joined the Supervisory Board in 2000. Re-elected to the Supervisory Board in 2010.

Term of office expires in 2011, dependent.

- ❖ CEO of Chr. Augustinus Fabrikker Aktieselskab and the Augustinus Foundation.
- ❖ Chairman of the Supervisory Board of LD Invest Holding A/S, Fondsmæglerselskabet LD Invest A/S, Gjensidiges Arbejdsskadeforsikring A/S, Rungsted Sundpark A/S and Skodsborg Sundpark A/S.
- ❖ Deputy Chairman of Jeudan A/S and Royal Unibrew A/S.
- ❖ Member of the Supervisory Board of Brock & Michelsen A/S and subsidiaries (2), Peter Bodum A/S, Pharmacosmos Holding A/S and subsidiary, Skandinavisk Holding A/S, Scandinavian Tobacco Group A/S and Løvenholmen Fonden.

Contact details: Chr. Augustinus Fabrikker Aktieselskab, Amaliegade 47, DK-1256 Copenhagen K.

#### Particular expertise:

- ❖ Management experience from a large number of Danish and international companies.
- ❖ Banking and finance as CEO of the Augustinus Foundation and former Bank Manager of Bikuben Girobank A/S.
- ❖ Property development and property administration as a member of the Supervisory Board of Jeudan A/S.
- ❖ Business-to-consumer production, sales and branding experience as a member of the Supervisory Board of Bodum A/S, Royal Unibrew A/S and Scandinavian Tobacco Company A/S.

#### Shareholding:

Holding of Tivoli shares at 31 December 2010: 14

Tivoli shares sold in the 2010 financial year: 0

Tivoli shares acquired in the 2010 financial year: 0

#### Ulla Brockenhuus-Schack

Born 1961

MBA, Columbia Business School N.Y.

Joined the Supervisory Board in 2009. Re-elected to the Supervisory Board in 2010.

Term of office expires in 2011, independent.

- ❖ Managing Partner of SEED Capital Denmark K/S.
- ❖ Managing Director of DTU Symbion Innovation A/S.
- ❖ Member of the Supervisory Board of Alkalon A/S, Amminex A/S, Celltrix AB, DVCA.

Contact details: SEED Capital Denmark, Diplomvej 381, DK-2800 Kgs. Lyngby.



*Particular expertise*

- ❖ The creative industries economy as co-founder of Media Invest, former Chairman of the Supervisory Board of IO Interactive A/S and executive of the Egmont Group.
- ❖ Business strategy, business development and innovation as Managing Partner of SEED Capital Denmark K/S and former management consultant with McKinsey & Co Inc.
- ❖ Financial management, accounting and auditing as Managing Partner of SEED Capital Denmark and Managing Director of DTU Symbion Innovation A/S.

*Shareholding:*

Holding of Tivoli shares at 31 December 2010: 10  
Tivoli shares sold in the 2010 financial year: 0  
Tivoli shares acquired in the 2010 financial year: 0

**John Høegh Berthelsen**

Born 1969  
Sales Coordinator.

Joined the Supervisory Board in 2008 by election among the Company's employees.

Re-elected in 2010. Term of office expires in 2014.

- ❖ Project Coordinator, Sales, and ticket inspector in Tivoli A/S.  
Contact details: Tivoli A/S, Vesterbrogade 3, DK-1630 Copenhagen V.

*Particular expertise:*

- ❖ Visitor services and sales in relation to the business segment.

*Shareholding:*

Holding of Tivoli shares at 31 December 2010: 0  
Tivoli shares sold in the 2010 financial year: 0  
Tivoli shares acquired in the 2010 financial year: 0

**Maria Fergadis**

Born 1979  
Head of Department.

Joined the Supervisory Board in 2010 by election among the Company's employees.

Term of office expires in 2014.

- ❖ Head of Department Eatertainment in Tivoli A/S.  
Contact details: Tivoli A/S, Vesterbrogade 3, DK-1630 Copenhagen V.

*Particular expertise:*

- ❖ Visitor services and development of new Tivoli concepts.

*Shareholding:*

Holding of Tivoli shares at 31 December 2010: 0  
Tivoli shares sold in the 2010 financial year: 0  
Tivoli shares acquired in the 2010 financial year: 0

**Executive Board**

CEO

**Lars Liebst**

Born 1956  
Appointed CEO in 1996.

- ❖ Chairman of the Supervisory Board of TV2\ DANMARK A/S, Industriens Almene Arbejdsgiverforening, Kulturministeriets Kunsstøtteudvalg (the support for arts committee of the Danish Ministry for Cultural Affairs) and God ledelse af selvejende kulturinstitutioner (Corporate governance for independent cultural institutions).
- ❖ Member of the Central Board of the Confederation of Danish Industries.

*Shareholding:*

Holding of Tivoli shares at 31 December 2010: 15  
Tivoli shares sold in the 2010 financial year: 0  
Tivoli shares acquired in the 2010 financial year: 0

CFO

**Claus Dyhr**

Born 1967  
Appointed CFO in 2008.

- ❖ Member of the Supervisory Board of Movement A/S.

*Shareholding:*

Holding of Tivoli shares at 31 December 2010: 10  
Tivoli shares sold in the 2010 financial year: 0  
Tivoli shares acquired in the 2010 financial year: 0

**Senior Management Team**

**Dorthe W. Barsøe**

Born 1966. Appointed 2006.  
Vice President, Marketing

**Frans Fossing**

Born 1967. Appointed 2009.  
Vice President, Sales

**Dorte Gleie**

Born 1967. Appointed 2005.  
Vice President, Eatertainment

**Stine Lolk**

Born 1972. Appointed 2002.  
Vice President, Human Resource and Communications

**Finn Sture Madsen**

Born 1966. Appointed 2002.  
Vice President, Real Estate & Development

**Mogens C. Ramsløv**

Born 1963. Appointed 2010.  
Vice President, Operations

**Peter Rose**

Born 1959. Appointed 2001, resigned 2010.  
Head of Entertainment and Production

**Kasper Schumacher**

Born 1974. Appointed 2007.  
Vice President, Service

## 2010 in Retrospect

### Denmark's largest tourist attraction

**Attendance figures for 2010 were below the desirable level, but Tivoli is still Denmark's largest tourist attraction according to Visit Denmark's annual statistics. On a European level, Tivoli also remains among the Top 5 amusement parks, Disneyland Paris topping the list with approximately 16 million visitors.**

There is no doubt, however, that competition has intensified: foreign amusement parks are keen to attract Danish visitors, and Danish amusement parks are increasingly marketing themselves through free-of-charge offerings such as free admission for return visits.

The incipient increasing trend in the number of hotel nights spent in Denmark and the Government's decision to partly remove VAT on hotel nights have not yet impacted Tivoli's attendance figures. There is an indication that the Swedish visitors are beginning to return, but we still have some ground to cover before we can match earlier years' tourist levels at Tivoli.

The new working relationship with the Tivoli Hotel does, however, look promising. Tivoli packages with and without overnight stays have attracted increasing interest, and in 2010 Tivoli's webshop reached index 161 as compared to 2008 in terms of the sale of tickets, packages, season passes and events. Guests of the Tivoli Hotel receive an admission ticket to Tivoli included in the room charge and to a large extent they make use of it. This confirms that it is a good development for Tivoli to be able to offer overnight stays as part of the Tivoli experience.

While competition in the market for family activities is exacting for a versatile park like Tivoli where also cultural and culture-historical activities play a large part, the signs are more favourable when it comes to restaurants; Tivoli's restaurants as a whole perform better than Copenhagen restaurants in general. An example of this is that Tivoli's two absolute culinary flagships, Restaurant Herman and The Paul, which both kept their star in the Michelin Guide, attracted good crowds throughout the year.

### Restaurants

**Tivoli's restaurants emerged strengthened from 2010 as compared to 2009.**

While revenue development in the summer season was more or less status quo as compared to 2009, the restaurants saw a significant revenue increase during both Halloween at Tivoli and Christmas at Tivoli. By doing so, Tivoli's restaurants generally defied the economic trend, which implied difficulties to the restaurant business in general in 2010 with the financial crisis resulting in a number of restaurant closures.

The majority of Tivoli's restaurants are in a sound financial situation and to ensure that this continues, the lessee portfolio will be continuously maintained and new restaurant

concepts will be developed which, along with the best of the existing restaurants, may be adapted to match the demands of Tivoli's visitors.

In 2010 this was exemplified by the Chinese Pagoda. The Asian pagoda on the Tivoli Lake designed by Knud Arne Petersen, architect and managing director of Tivoli, for the Gardens in 1900 was thoroughly renovated during the winter. The pagoda has been referred to as the Chinese Pagoda for years, but actually it was referred to as the Japanese Pagoda in the programmes for the first year. It was therefore an obvious idea to revert to the starting point when the new lessee of the pagoda wanted to establish an Asian restaurant with sushi, wok dishes and Wagyu meat. The Japanese Pagoda was opened in June.

### Nimb on distinguished list

**The many enthusiastic reviews and extensive coverage bear witness of the high quality, and in December the international travel magazine Condé Nast Traveler published its Gold List 2011 which featured the Nimb Hotels as the first and only Scandinavian hotel.**

The young management team of the Nimb Brasserie put the new Nordic kitchen on the menu with great success. Seasonal raw materials from the local environment are prepared with the modern twist resulting in a packed house night after night. The restaurant's very popular brunch has been supplemented by a luxury brunch served in the elegant premises of the Nimb Bar. Here you can relax in the soft sofas and enjoy the peace and quiet as the luxury brunch is a no-children zone.



The Japanese Pagoda

The beautiful premises of the Nimb House provide the setting for many events. These could be private parties such as a wedding or christening or meetings, receptions or even product launches. Copenhagen Fashion Week always features several shows from Nimb.

During the summer the Nimb Dairy closed down as production was too limited for the dairy to be operated profitably. Øllingegård Dairy has continued certain Nimb brands, for example the highly praised chocolate milk.

Nimb will open Bar'n'Grill at the premises in April, which will serve grilled meat and seafood in addition to drinks and the good wines from the Nimb wine cellar. The décor will be a mixture of Scandinavian and English style.

## Denmark's best places to work

**In November 2010 Tivoli entered the Top 50 list of Denmark's Best Places to Work as No 8 of the 15 best large workplaces.**

For the three years during which Tivoli has cooperated with Great Place to Work Institute Denmark on a job satisfaction survey among Tivoli employees, it has been the goal to achieve a ranking on this list. So the achievement brought great joy and the day was thoroughly celebrated. However, a ranking on a list is just the icing on the cake; it is the cake itself that is essential. Tivoli has been working systematically and dedicatedly with job satisfaction for a number of years as part of the efforts to achieve the vision of being a leading, international experience brand and to fulfil the mission of enchanting our visitors. The service value chain is essential in these efforts. The chain reflects how our business earnings depend on our visitors' product satisfaction and this satisfaction, in turn, depends on the employee satisfaction.

Employee satisfaction at Tivoli has developed positively in recent years; in 2010 93% of our employees responded that all things considered, Tivoli is a good place to work.



The Nimb Brasserie



The Nimb Bar



The Japanese Pagoda



The Japanese Pagoda

## Visitor opinions count

**An annual survey is performed among the visitors to Tivoli to enable us to offer continuously the best experiences of the highest quality.**

Certain parts of the experience are, however, outside Tivoli's control. We have recorded a general decline in satisfaction rates in all surveyed areas in the summer season 2010 (as compared to 2009). If we match responses to information on the weather on the day of the visit, we find consistently lower satisfaction on cool and rainy days.

Another possible cause of lower satisfaction could be overcrowding, but even with a visitor record at Halloween we maintained a generally high satisfaction level across all parameters.

In the winter period our guests seem to be prepared for the cold; during Christmas at Tivoli our visitors were more satisfied measured by all parameters than they were in 2009. While the overcrowding issue has indeed been successfully resolved by creating a better flow through the Gardens for example for Halloween at Tivoli, it remains a challenge to give our visitors a good Tivoli experience when the weather does not live up to their expectations.

## A popular maid

Tivoli's ordinary summer season lasted from 15 April to 26 September but was, as in earlier years, followed by the Voice Day, which is a special event for the listeners and viewers of Radio Voice and Voice TV.

The cool spring delayed the plants but in return extended the blooming of the many thousand spring flowers in Tivoli, which was again able to show its visitors beautiful, green gardens.

On opening day, Tivoli was able to welcome a special attraction: the younger sister of the Little Mermaid. The Mermaid from Langelinie was part of the exhibition in the Danish pavilion at EXPO 2010 in Shanghai. Therefore, the descendants of sculptor Edvard Eriksen had made available the family's own copy of the mermaid to Tivoli. The little lady found her spot in the Tivoli Lake behind Divan 2 where she enjoyed great attention from both Danish visitors and tourists as well as from the press.

## Petzi's World

**Another famous Dane made his appearance on 12 May in the pouring rain, but in high spirits. Petzi's World opened following a delay due to the severe winter weather but the playground universe was worth the wait.**

With Valde the Whale and the good ship Mary as focal points, the new playground universe offers an abundance of activities that encourage movement: children have to climb, crawl, slide and balance, and there are plenty of possibilities of playing hide-and-peek, tag and don't touch the ground. The playground also has musical instruments, an intercom and one amusement called the Light House for which payment is charged. Inside Valde the Whale, you find Petzi's Pancake House serving big, hot pancakes with

either sweet or savoury fillings at your choice. The Pancake House has become a true favourite as has the playground universe itself.

It was Petzi himself who cut the ribbon when the playground was opened. Visitors to Tivoli can now meet Petzi every afternoon as he walks around saying hello to the children in Tivoli, which is greeted with joy by the children and with enthusiasm by their photographing adult companions.

In connection with Halloween and Christmas at Tivoli, the shop Klumperiet opened in the square in front of the Castle. At the shop you can buy Petzi comics, soft toys and much more. The shop also sells the new Petzi cd which was launched in a great concert on the Open Air Stage.

## The grass is greener

**To Danes it is a matter of habit, but many foreign visitors have wondered why the square in front of the Open Air Stage is referred to as "Plænen" (the lawn) in Danish as no blade of grass has been in sight for many, many years.**

This was changed during Tivoli's peak season when we rolled out a 1,260 sqm. lawn on the gravel and established an outdoor café and petanque grounds. Visitors could borrow blankets to sit on, and red-chequered picnic tables were provided which could also be used as play tools. The lawn was a great success, and the Københavnertiet column in the Danish newspaper Politiken honoured the idea with the top rating "six hearts" in its review of good and bad initiatives in 2010. It has been decided to use the idea again in 2011 and even to extend the grass to the area around the Pantomime Theatre.

## From gospel to Greenland

**Tivoli's activities during the year included a large number of red-letter days with themes as different as gospel, folk dance and Ducati motorbikes.**

The red-letter days have been popular for a number of years with events such as the Music Schools' Days and Greenland at Tivoli as flagships. One of the advantages of these events is that they are practically supported by organisations and interest groups that contribute great knowledge about the theme and a lot of dedicated volunteers while also attracting a large and interested audience. Often an audience that cannot ordinarily pursue their special interests in Tivoli, for example when it comes to dogs or fast cars.

In April and again in September, Tivoli opened up to a number of school activities. The spring saw sensation days for school children in the 4th to 6th grade during which children learned how you feel gravity on the Roller Coaster wearing a blindfold and ear protection, or how your sense of smell impacts on your memory. In September it was then time for the 9th graders and the upper secondary school students to study physics with the entire body, for example by measuring gravity in the Golden Tower. A total of 13,343 children attended Tivoli's school days.



Petzi's Pancake House



Day of the Dog



The Little Mermaid



Grass on the square in front of the Open Air Stage

## Music

### On the wings of song

In 2010 the Concert Hall at Tivoli provided the setting for more than 50 summer concerts – classical as well as rhythmic – in addition to the year's ballet guest performance by the San Francisco Ballet. One of the many highlights of the season was the gala concert in memory of the centenary of Queen Ingrid's birth with the Tivoli Symphony Orchestra featuring Jonas Kaufmann, which also marked the German tenor's Danish concert debut with an orchestra. Another songbird, Italian mezzo soprano Cecilia Bartoli, who during her concert received the Leonie Sonning Music Prize 2010, was the absolute top scorer of stars from the reviewers, closely followed by Russian pianist Arcadi Volodos, who made great play as one of the five international pianists in the annual Pianoforte! series.

The season's only fly in the ointment was the concert with Rolando Villazón who had to interrupt his concert after a few songs. The disappointed audience was not appeased until the singer relinquished his fee, which meant that the ticket price could be refunded.

The Tivoli Symphony Orchestra, which has in the past seasons been praised for its steadily increasing artistic level, was in top form also in 2010, both in the season's classical concerts and in Tivoli's anniversary concert featuring well-known Danish pop and rock singers' interpretations of hits from the Great American Songbook. In addition to Tivoli's own anniversary, also the 200-year anniversary of H.C. Lumbye, Tivoli's first music director, was duly celebrated with two concerts with the Promenade Orchestra and the Tivoli Symphony Orchestra, respectively. All in all, and in spite of the financial crisis, the Concert Hall managed to record total attendance figures for the season at the 2009 level.

### Friday Rock

**As many as 31 artists and bands performed at the 24 Friday Rock concerts in the summer.**

Room was made in the programme for Friday Rock first-timers such as Danish singers Nabiah, Rasmus Seebach and Medina. Swedish singer Lisa Nilsson came to celebrate her 20th anniversary. English Jamie Cullum and Spandau Ballet, one of the greatest pop bands of the 80's, also made their way to the Open Air Stage.

The year's programme also featured established and popu-

lar Danish names like Sebastian, Lis Sørensen, Sanne Salomonsen and C.V. Jørgensen, who all attracted handsome crowds to the Gardens. It was, however, particularly new, Danish names like Dúné and Turboweekend who attracted most attention and made lots of young people flock to Tivoli.

14 rainy Friday nights of 24 did, however, result in fewer visitors and lower beer sales than usual for the very popular Friday Rock events.

The new Friday Rock sponsor Royal Beer actively went into the sponsorship with a large number of activities. 4 million Harlequin-checked beer cans imprinted with the entire concert programme were designed. A competition for rock bands to win a performance on the Open Air Stage was organised as well as a large number of smaller competitions for concert guests.

Aiming at the younger target group, Tivoli and Royal Unibrew cooperated on the Max Your Ride campaign, which allowed children to earn points by competing on daring on Tivoli's fierce rides.

### The Copenhagen Jazz Festival

**The Open Air Stage provided the setting for several concerts during the Copenhagen Jazz Festival, which allowed visitors to enjoy music on the newly established lawn for the first time.**

Saxophone player David Sanborn gave concert along with Joey DeFrancesco and Steve Gadd, and Tivoli's Big Band performed with Sinne Eeg and her quartet and with Benjamin Koppel and his sister Marie Carmen Koppel.

The Copenhagen Jazz Festival also featured two major names at the Concert Hall. English singer Elvis Costello gave concert along with The Sugarcanes, and on the following day his wife Diana Krall gave concert, which had been keenly awaited by many and was therefore totally sold out.

A description of the musical year at Tivoli would be incomplete without mention of the Tivoli Boys Guard Band which contributes to the good Tivoli experience with both parades and concerts, while also preserving a fine tradition of offering its members one of Denmark's best musical educations for that age group. Also the Promenade Orchestra and Tivoli's Big Band, which was the central point of the Swingtime dance nights, contributed many good musical experiences during the year.



Gospel Festival



**Rasmus Seebach**



**Pierrot appeared in a new light when he was featured on the Friday Rock poster as part of the campaign universe used by Tivoli and Royal Beer to market the Friday Rock concerts on-line and in print.**



**Elvis Costello & The Sugarcanes**



**The TV show Go' Aften Danmark (Good evening Denmark) was visited by the re-formed English boy band Take That. Many girls and women defied the cold weather to catch a glimpse of the charmers Jason Orange, Robbie Williams and Gary Barlow.**



**Jamie Cullum**

## A ray of sunshine in a puddle

**Every year the Tivoli Glass Hall offers a number of shows in and out of season. In some cases, the shows are produced by Tivoli, but often other producers have rented the Hall.**

For many years, Tivoli has been cooperating with the London Toast Theatre, which produces the popular Crazy Christmas Cabaret. The title of this year's show was Oh My Goth, which played for a full house from November until a bit into January 2011. It is also worth mentioning Eventyrteatret, which brings joy to children and grow-ups alike with their merry and musical shows in the autumn holidays and before Christmas. In 2010 the talented children and youngsters performed the shows the Sword in the Stone and High Jul Musical inspired by the popular American youth films.

Tivoli itself produced the musical show Et Solstrejf i en Vandpyt (A ray of sunshine in a puddle). Tivoli's Big Band provided the musical background to Trine Pallesen, Anne Suppli, Gunvor Reynberg, Tom Jensen and Caspar Philipson, who in Jesper Malmose's mosaic of Danish performers Grethe and Jørgen Ingmann's careers and lives performed a large number of well-known tunes. In spite of enthusiastic reviews, the show did not quite fill the large hall. The show was seen by 12,733 people.

A small leap to the Concert Hall and we land right in the middle of Mamma Mia! presented in Danish for the first time by Swedish theatre producer Per Se Aps. Expectations were high, and they were fully met. The lyrics had been translated by Anne Linnet, and Ann Mariager had "Danicized" the Greek tale about Donna who rediscovers the love of her youth. The team of excellent singers and dancers on stage were pleased to receive a visit from ABBA stars Björn Ulvæus and Agneta Fältskog on the opening night. The show was well received by reviewers and the audience. With 140 performances and more than 140,000 tickets sold, this is the longest running show with the largest audiences at the Concert Hall within living memory. It is very attractive for Tivoli to be able to fill the house every night since cultural guests are also often restaurant guests.

## Intense ballet experience

**The visit by the San Francisco Ballet in August was a great artistic success. The company is one of USA's leading ballet companies and performed in Denmark for the first time in 12 years.**

Danish reviewers and ballet press were enthusiastic about the company's high level, and the week-long guest performance offered the audience an intense and powerful experience. A total of seven ballets were performed under two different programmes, three of which were first performances, not just in Denmark but in Europe. The ballets demonstrated the company's strength within the classical repertoire, but also that new choreographies are continuously added. Unfortunately, ticket sales did not match the great artistic value of the guest performance.

## The Pantomime Theatre

**The Peacock Theatre just inside Tivoli's main entrance is not just an elegant building, Tivoli's oldest, but also provides the setting for at theatre form once popular throughout Europe. Today, pantomimes are only performed at Tivoli where this special, Danish version pleases large audiences in two daily shows.**

While Harlequin, Columbine and Pierrot merrily continue their old tricks in updated settings, the theatre people also find time to rehearse new shows. In 2010 the theatre presented three new shows and a renewed premiere of the Swineherd from 2009 with scenography by HM Queen Margrethe. In La Ventana, ballet master Peter Bo Bendixen had chosen the difficult Mirror Dance from Bournonville's ballet as the starting point of a number of enticing Spanish dances. Catching the Bolero was chorographer Marie Brolin-Tani's interpretation of Ravel's music telling a sinister, but also romantic, story about people finding each other in Tivoli. Late in the summer, September Dance featured three small ballets. Peter Bo Bendixen had staged ballets by Bournonville and Peter Martins, whereas Pantomime Theatre dancer Paul James Rooney had choreographed the colourful Mezclanza.

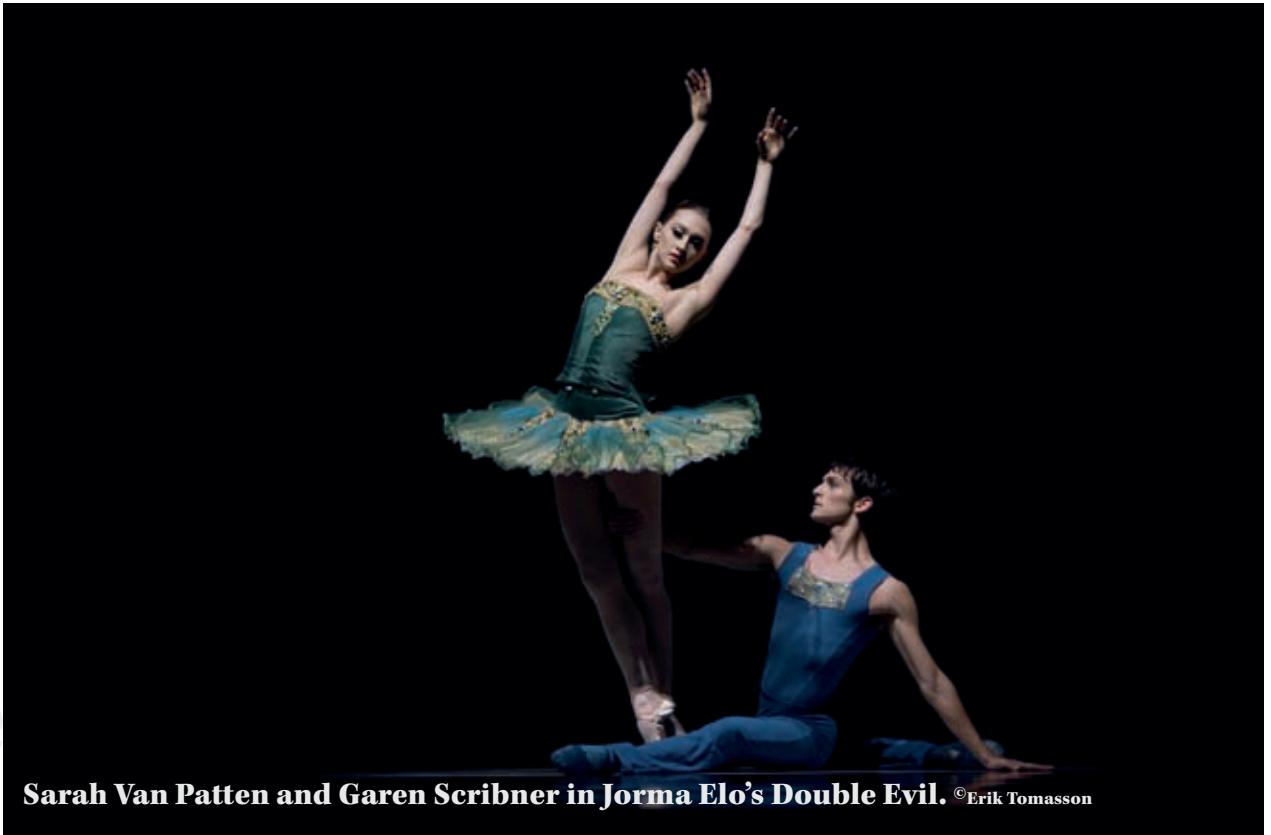


**Et Solstrejf i en Vandpyt  
(A ray of sunshine in a puddle)**



**La Ventana**





**Sarah Van Patten and Garen Scribner in Jorma Elo's Double Evil.** ©Erik Tomasson



**Catching the Bolero**

## Copenhagen's first theme hotel

**Close to Tivoli and the harbour front the large Tivoli Hotel & Congress Center sprang up at a high, albeit controlled, pace. Kim Utzon has designed the building, which has been fitted up by Tivoli's designers in cooperation with the Arp-Hansen Hotel Group that owns and operates the hotel complex.**

The hotel is Copenhagen's first theme hotel, but its function as a conference hotel has also been emphasised. It therefore has 20 theme rooms and 376 more discreet rooms, which are all, however, clearly connected with Tivoli's theme world. Also the corridors, conference rooms, restaurant and public areas bear evidence of the theme, and the playroom on the lower floor as well as the outside playground hold Tivoli elements. The large congress hall accommodates 2,500 people, and naturally the hotel and congress center has all modern conveniences with fitness room and swimming pool as well as wireless internet.

Since the Tivoli Hotel opened on 1 July, almost 70,000 visitors have stayed overnight at the hotel. In the Tivoli seasons, the hotel is visited mostly by families and several thousands have stayed in the theme rooms. About two thirds of the hotel guests were Danish, Swedish and Norwegian, whereas the remaining visitors came from all over the world, ranging from the USA to China. Business people constitute another major segment. Some of them stay overnight, while others are day guests who participate in meetings, congresses or dinners. Hotel guests receive an admission ticket to Tivoli in the Tivoli seasons and can use the shuttle bus between the hotel and Tivoli free of charge.

Key employees at the hotel have attended the Tivoli School (Tivoli's introductory course) and information on Tivoli is provided in the rooms and at reception.

## Disney Cruises moored

**In 2010 Disney Cruise Line ships moored Copenhagen for the first time. Walt Disney was very inspired by Tivoli when he created Disneyland in California so of course the cruise ship guests were entitled to a special Tivoli experience on arrival in Copenhagen.**

Several different excursions were offered to the guests: a day trip to Tivoli, a Hans Christian Andersen theme excursion including the Flying Trunk and the Little Mermaid at Tivoli and a short visit to Tivoli allowing guests the option of exploring Copenhagen on their own afterwards.

All of the excursions were kicked off by the Tivoli Boys Guard Band playing at Langelinie in the morning, after which the guests were picked up by Tivoli guides in buses and transported to the Tivoli Gardens, where their day started with a tour. Extra enthusiasm was shown by those cruise ship guests who had spotted Sven Hansen Heidelberg, director of the Tivoli Boys Guard Band, on the quay, because it is part of the story that he met Walt Disney in person when he was a very young Tivoli boys guard.

Cruise ship tourism is the only market segment that is continuously growing, and Tivoli has entered actively into developing activities for this market.



Disney Cruise Lines and the Tivoli Boys Guard Band



Posters at the Tivoli Hotel



Standard room, the Tivoli Hotel



Theme room, the Tivoli Hotel



The Tivoli Hotel

## Halloween at Tivoli

From 15 to 24 October, Tivoli opened the doors to its fifth Halloween at Tivoli achieving record high attendance figures of 294,000. Again the decorations surpassed everything previously seen with a new witches' brewery in the fountain in front of the Concert Hall and dashing circus caravans on the square in front of the Open Air Stage.

The Roller Coaster was transformed into a ghost train in such a way that the horror effects did not show their full impact until after 5 pm when effect lights, smoke and sound effects were activated. As a new feature for the evening visitors, there was a renewed premiere of the Vampire Pierrot, which Steen Koerner made for the Pantomime Theatre some years ago. The entertaining features of the autumn season were the recurring parades and shows with the Tivoli witches and the pantomime figures, this year supplemented by a Withes' Circus, and naturally visitors could meet the witches and the pantomime figures in the Gardens also in the daytime. The opening weekend featured the Danish Championships for Giant Pumpkins, this year with six participating giant pumpkins.

## Christmas - a winter's tale

The Christmas at Tivoli theme was winter, and the Gardens were decorated in blue and silver and artificial snow. Even the Pantomime Theatre had been equipped with a new, ice blue peacock curtain which provided the ideal setting for the two Chinese ice sculptors who transformed 125 kg blocks of ice into fabulous figures.

The new children's activity was the toboggan run, and the Gardens opened on 12 November amidst oohs and aahs in response to the fine effect of the many wintry features. At that time, no one had anticipated that Mother Nature would so support the winter theme. On 23 November the snow started falling in Denmark and thus Tivoli and remained until the Gardens closed on 30 December.

The snow had many negative consequences to Tivoli. Not only were our visitors less inclined to go to Tivoli and had difficulties in getting there, which reflected on attendance figures, when particularly bad weather was forecast. Inside the Gardens, the weather presented challenges in terms of deicing, and several rides could not be operated when it had snowed. One of the affected rides was the Roller Coaster, from which snow had to be removed before it could be put into operation; a difficult task due to the steep rises and falls. The Demon could not be operated either due to ice on the brakes.

On a general note, the enthusiasm for going on rides decreases in cold, wet and windy weather. The number of rides taken was therefore 14.56% below last year's figure.

In spite of the snow, Tivoli had 791,000 visitors in the Christmas period. Tivoli's lessees recorded handsome sales during Christmas at Tivoli 2010. Tivoli's restaurants saw a 13% revenue increase, while shops and workshops in operation also recorded good Christmas sales with a revenue increase of 15%.

## Tivoli Facts 2010

### SEASONS:

Summer season	15 Apr. – 26 Sept.
Halloween at Tivoli	15 – 24 Oct.
Christmas at Tivoli	12 Nov. – 30 Dec.

### NUMBER OF DAYS OPEN:

Summer:	168 days (including 2 dress rehearsals and the Voice Day on 27 September)
Halloween:	12 days (including 2 dress rehearsals)
Christmas:	49 days (including 2 dress rehearsals)

### ATTENDANCE FIGURES:

Summer:	2,611,000
Halloween:	294,000
Christmas:	791,000
Total	3,696,000

### NUMBER OF SHOWS:

The Pantomime Theatre	297
The Promenade Pavilion	480
The Open Air Stage	155
The Harmony Pavilion	372
The Concert Hall	60
The Tivoli Boys Guard Band	233
Fireworks	16
Tivoli Illumination shows	278
The Glass Hall, Tivoli productions	33
Other (Theme Days, Halloween Parades, etc)	150
The Glass Hall and the Concert Hall rented for cultural events	264

### MOST POPULAR RIDE:

The Roller Coaster:	1.6 million visitor rides
---------------------	---------------------------

SEASON PASSES SOLD:	275,279
---------------------	---------





Between Christmas and New Year's Eve, Tivoli organised a Fireworks Festival to the delight of its visitors. The theme of the year was film music.



Lucia Parade



Ice sculptors during Christmas at Tivoli

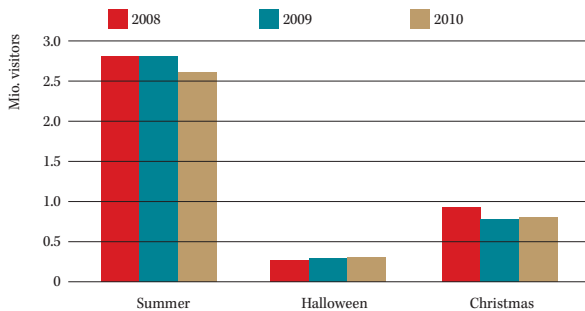
## Financial Review

Tivoli saw 2,611,000 visitors in the 2010 summer season compared to 2,810,000 visitors in the 2009 summer season, corresponding to a 7% decline.

For Halloween, attendance figures aggregated 294,000, which is a 6.9% increase from 2009.

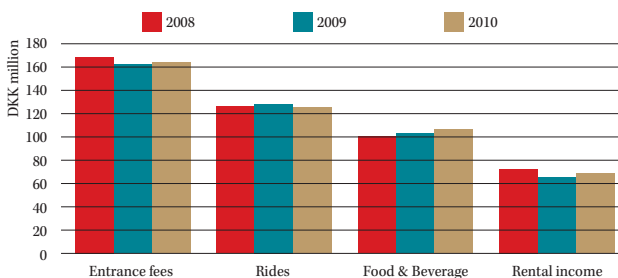
For Christmas at Tivoli attendance figures aggregated 791,000 compared to 783,000 in 2009, corresponding to a 1% increase. The Christmas season was affected by extreme weather with unprecedented winter cold, which resulted in the coldest opening period in the 17 years of existence of Christmas at Tivoli.

Total attendance figures for 2010 were 3,696,000 compared to 3,868,000 visitors in 2009, equivalent to a 4.5% decline.



Net revenue for the financial year 1 January – 31 December 2010 amounted to DKK 580.5 million compared to DKK 574.8 million for the corresponding period of 2009.

The graph below shows revenue for 2010 and 2009 adjusted for Nimb's revenue and with rental income from Nimb eliminated from rental income for 2008.



Expenses before depreciation, amortisation and impairment amounted to DKK 538.5 million compared to DKK 528.5 million for 2009.

Profit before depreciation, amortisation and impairment amounted to DKK 83.7 million compared to DKK 93.9 million for 2009. This corresponds to a 10.9% profit decline.

Net financials amounted to a negative DKK 8.3 million compared to a negative DKK 11.0 million for the same period of 2009.

Profit before tax amounted to DKK 9.2 million compared to DKK 21.0 million for the same period of 2009. Profit after tax for 2010 amounted to DKK 6.0 million compared to DKK 15.7 million last year. The results are at the level of the latest outlook announced which indicated a profit.

Investments in property, plant and equipment for the year amounted to DKK 69.9 million. The largest single investment was the new Petzi playground. Furthermore, investments were made in a number of large and small projects with the continued aim of offering novelties to the visitors to the Gardens and of enhancing quality in general.

The Company's assets amounted to DKK 942.1 million at 31 December 2010 compared to DKK 940.5 million at 31 December 2009. The increase is primarily due to higher receivables. The equity share of the balance sheet total (solvency ratio) represented 62%, which is a small decline from last year.

The Supervisory Board proposes that dividend of 25% of the profit after tax for the year be distributed for the year, corresponding to DKK 1.5 million or 2.6% of the nominal share capital, compared to dividend in 2009 of DKK 3.9 million, or 6.9% of the nominal share capital. The remaining profit will be allocated to the Company's distributable reserves.





**Sensation days for school children**



**The Japanese Pagoda**



**Go' Aften Danmark (Good evening Denmark) broadcasts live**



**The Royal Guard and Tivoli held a birthday concert on 20 May for HM Queen Margrethe on the occasion of the Queen's seventieth birthday.**

## Future Plans for Tivoli

At year end, a three-year strategy, Growth 2013, was launched. Tivoli's mission continues to run "We wish to enchant our guests", and our vision "We want to be a leading, international experience brand". The strategic headlines are:

- ❖ Tivoli must yield a profit that is high enough for us to be able to continue developing the Gardens as we chose.
- ❖ Tivoli must be a full-year business which is less dependent on the weather.
- ❖ Tivoli must have a high, international standard in terms of quality and services – and thus satisfied, loyal visitors.
- ❖ Tivoli must set up business in even more areas of the leisure industry.
- ❖ Tivoli must be among Denmark's best workplaces.

Tivoli has several major projects on the drawing board at the moment, albeit without any final realisation dates.

Having obtained a casino licence for the Hans Christian Andersen Castle, Tivoli has now finally prepared a more permanent plan for the future of the large building following several years with alternating use of the premises for various exhibition purposes. While the large Titanic Exhibition takes place in 2011, the plans for the casino and the other activities at the premises will be concretised. Obviously, the plans include adjoining restaurants etc, but it will also be natural to consider whether other leisure activities would fit the new concept for the Castle.

In the short term, Tivoli's activities over the next year will focus on providing the best framework for good Tivoli experiences in order to achieve increasing attendance figures, and thus higher sales and earnings. Through relevant organisations, efforts are made to ensure the best possible conditions for the tourist industry. On the inner lines, Tivoli is directing efforts at developing and qualifying its organisation to provide the best and most relevant offerings to Tivoli visitors in the 2010s.

One of the specific initiatives is the continued work of organising reasons to visit. This could be entertainment and theme days or offers targeting special groups. However, it could also be something as simple as a lawn. There will be grass on the square in front of the Open Air Stage again in 2011 and, as a novelty, also in front of the Pantomime Theatre, which will offer even more possibilities of picnicking or sitting down with a draft beer while enjoying the entertainment organised by Tivoli on the two stages.

The lawns, combined with increased package sales and the new pricing structure implemented in 2011, should be viewed as initiatives directed at families as a target group. In these times of financial hardship, we believe that Tivoli can no longer compete only on quality, but would benefit from using the price parameter to capitalise on periods with idle capacity.

The cruise market continues to grow and is therefore a new focus area of efforts to determine how Tivoli may create

the best offerings to cruise ship visitors. It is the intention that Tivoli will, in cooperation with a number of business partners, launch packages offering to take care of the visitors from they leave the ship until they re-embark in the evening.

Long periods of unfavourable weather remind us again and again of the importance of daily shows at the Glass and Concert Halls. Typically, cultural visitors also eat at Tivoli's restaurants and generally form a good basis of the daily revenue. In 2011 efforts to lease out the Halls will continue, but Tivoli itself will also play a more active role as a producer of a new music show, More Jacks, and several concerts. The classical music programme will be launched under the collective name Tivoli Festival. This partly allows us to distinguish between Tivoli's own concerts and lessees' concerts, partly to move the classical music into the open air while maintaining the link to the music in the Concert Hall.

As Tivoli owns the Danish Wagamama franchise, the possibility of opening one or several restaurants outside Tivoli is also being explored.







Lars Liebst and US Ambassador Laurie S. Fulton



## Tivoli's Corporate Social Responsibility

The complete CSR Report of Tivoli is accessible on [www.tivoli.dk/csr](http://www.tivoli.dk/csr). These pages highlight a few of the stories from this year's CSR Report.

### A green fairytale

Since 1996 Tivoli has been working systematically with environmental management and has achieved a number of improvements in the area. It has been possible to follow the progress in Tivoli's Annual Reports, but in the Gardens it has been less noticeable how Tivoli and Tivoli's visitors contribute towards minimising climate change. This will change once Tivoli's recyclable cups and "green" cars start bringing the message out among our visitors.

### Electricity savings

In 2008 Tivoli entered into a climate partnership agreement with DONG Energy. The agreement comprises supply of green electricity, support for electricity savings and an information campaign about the climate efforts. The Tivoli turbine at the Avedøre Power Station was put into operation in November 2009, and Tivoli's four theme weeks for school children were part of the information campaign. To achieve electricity savings, incandescent bulbs were replaced by LED or other low-energy bulbs. In 2010 lighting at the Central Station Entrance was changed from 25W to 3W bulbs, and new light sources were tested for eg the Nimb front in cooperation with the manufacturers.

### Occupational health and safety

Tivoli's Health & Safety Organisation is committed to ensuring a good working environment in the organisation. When it comes to chemicals, the employees' own involvement is the key to success. It is our employees themselves who identify and select the products they need in their work under the direction of Tivoli's environmental officers. This leaves the individual employee with in-depth knowledge of the products used and how to handle them; typically, the gentlest products are chosen.

### Charity

Every year Tivoli receives several hundred requests for support and contributions of various kinds. Tivoli supports causes related to disadvantaged children in particular. Among the annual donations are free admission and Multi-ride tickets for children in accommodation centres for asylum seekers, children who have moved into women's crisis centres with their mothers and incurably ill children. Donations of slightly above DKK 1.5 million were made. In January the Concert Hall was lent to the large televised charity collection show Danmark-sindsamlingen. Tivoli also donated tickets for sale by auction on the night of the show.

On Christmas Eve Tivoli lent premises for the Eventyrjul (Fairytale Christmas) event inviting 200 families who cannot afford to celebrate Christmas in the traditional way to a Christmas party in the Hans Christian Andersen Castle. Eventyrjul has been created on a private initiative by a Nimb employee and is supported by private individuals and firms in the Copenhagen area, whereas the seats are allocated in cooperation with established charity organisations. Another activity around Christmas was the possibility for Tivoli employees to contribute to the Danish branch of SOS Children's Villages instead of receiving a Christmas present themselves, which led to a DKK 50,600 donation to the organisation.

### I remember the year because:



**"... our new manager improved our teamwork and working conditions."**

*Mathilde Thykier, Service Assistant*



**Christmas event for Tivoli's employees**



The “Georg of the year” awards were in 2010 granted to Morten E. Hansen, Stage Technician, Finn Carlsson and Tom Gople Mikkelsen, the Engineering Shop, the Ticket Inspectors at the Central Station Entrance and Sabrina Green, Eatertainment.

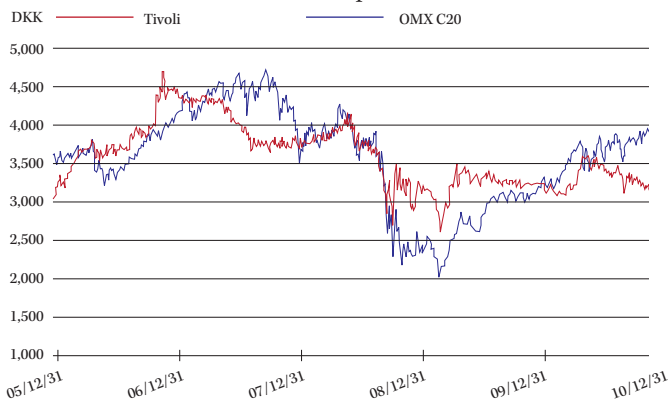


## Shareholder Information

Tivoli A/S is listed on the Copenhagen Stock Exchange. At 31 December 2010, the share capital amounted to DKK 57.2 million distributed on 5,716,660 shares of DKK 10 each. The share is traded in pools of 10 shares of DKK 10 each, carrying an entitlement to 10 votes. At 31 December 2010, the market price of 3,251 corresponded to a market capitalisation of DKK 1.9 billion. At 31 December 2009, the market price of 3,239 corresponded to a market capitalisation of DKK 1.9 billion. Shareholders with a shareholding registered to their name with a nominal value of at least DKK 1,000 receive a Pass to Tivoli. The Pass entitles the holder and one companion to free admission to Tivoli in all Tivoli seasons. The entitlement to a Pass is decided upon by the Supervisory Board for one year at a time.

### Share price development

The share price development in the period from 31 December 2005 to 31 December 2010 compared with the OMXC20



### Dividend policy and dividend

The Supervisory Board has established a general policy for payment of dividend. It is the intention that, in normal investment years, dividend corresponding to 25% of consolidated profit after tax be distributed. In the years when investments are particularly high, the Supervisory Board may decide that the dividend should deviate from the policy.

Tivoli A/S' profit after tax for 2010 amounted to DKK 6.0 million compared to DKK 15.7 million in 2009. The Supervisory Board recommends to the Annual General Meeting that dividend of 25% of the profit after tax for the year be distributed for the year, corresponding to DKK 1.5 million compared to DKK 3.9 million last year. The remaining profit of the Parent Company will be allocated to the Company's distributable reserves as the Company is also expecting a high level of investments in the coming years.

### Shareholders

At 31 December 2010, Tivoli had 19,043 registered shareholders. According to the Company's register of shareholders, shareholdings in excess of 5% break down as follows:

Skandinavisk Holding A/S	31.8%
Chr. Augustinus Fabrikker Aktieselskab	25.4%
Danske Bank A/S	5.1%

### Stock Exchange Announcements

Attendance figures, Christmas at Tivoli 2009	4 January 2010
Correction: Financial Calendar 2010	4 January 2010
Annual Report 2009	23 March 2010
Ulla Brockenhuus-Schack acquires Tivoli shares	26 March 2010
Notice to convene Annual General Meeting	8 April 2010
Change to Supervisory Board	23 April 2010
Annual General Meeting held, 26 April 2010	26 April 2010
Interim Report at 31 March 2010	25 May 2010
Interim Report at 30 June 2010	15 August 2010
Correction: Interim Report at 30 June 2010	18 August 2010
Attendance figures, Summer Season 2010	28 September 2010
Attendance figures, Halloween at Tivoli 2010	25 October 2010
Interim Report at 30 September 2010	29 November 2010

Attendance figures, Christmas at Tivoli 2010 3 January 2011

### Investor Relations (IR)

Tivoli aims at meeting the disclosure requirements of the Copenhagen Stock Exchange. Therefore, announcements are filed with the Copenhagen Stock Exchange on a correct and timely basis and are released simultaneously at Tivoli's website [www.tivoli.dk](http://www.tivoli.dk). Further corporate information and all company announcements are accessible at the website. Inquiries on investor relations and the share market may also be addressed to the IR officer, Stine Lolk, Vice President, Communications & Entertainment, e-mail: [sl@tivoli.dk](mailto:sl@tivoli.dk)

### Financial Calendar

Annual Report 2010	23 March 2011
Annual General Meeting	26 April 2011
Interim Report (Q1 2011)	30 May 2011
Interim Report (H1 2011)	15 August 2011
Interim Report (Q3 2011)	29 November 2011

### Supervisory Board Meetings 2010

In 2010 the Supervisory Board met on:

- 23 March
- 26 April
- 25 May
- 15 August
- 29 November
- 20 December

### Supervisory Board Meetings 2011

For 2011 the Supervisory Board has scheduled meetings on:

- 23 March
- 26 April
- 30 May
- 15 August
- 29 November

### **Annual General Meeting**

The Company's Annual General Meeting will be held on Tuesday, 26 April 2011, at 14:00 at the Tivoli Concert Hall

### **Proposed resolutions for the Annual General Meeting (AGM)**

The Supervisory Board proposes that the AGM authorise the Board, for the period up until the next AGM, to have the Company acquire shares for treasury of up to 10% of the share capital at the current market price at the time of acquisition with a divergence of up to 10%.

The Supervisory Board proposes reappointment of Price-waterhouseCoopers as auditors.

Moreover, all members of the Supervisory Board not elected by the Company's employees are up for re-election. The Supervisory Board proposes re-election of these members.

It appears from Tivoli's Articles of Association that a member of the Supervisory Board must resign at the first Annual General Meeting held after the member attains the age of 70. None of the current members of the Supervisory Board will have turned 70 by the date of this year's Annual General Meeting

## **Corporate governance**

Tivoli's Management emphasises corporate governance and corporate governance is continuously discussed by Tivoli's Supervisory Board.

In 2010 the Committee on Corporate Governance issued updated Recommendations for corporate governance. As previously, the recommendations are based on a "comply or explain" principle, which makes it legitimate for a company either to comply with the recommendations or explain why it does not comply. Tivoli complies fully with all 78 recommendations. For a detailed description of the recommendations, reference is made to Tivoli's website, [www.tivoli.dk/corpgov](http://www.tivoli.dk/corpgov) where the full text of the recommendations is also provided.

### **Internal controls and risk management relating to financial reporting**

The Supervisory and Executive Boards have overall responsibility for the Company's risk management and internal controls relating to the financial reporting process.

#### **Control environment**

The Supervisory and Executive Boards determine and approve general policies, procedures and controls in key areas relating to the financial reporting process. This is based on a clear organisational structure, clear reporting lines, authorisation and approval procedures as well as segregation of duties.

Written guidelines have been prepared for bookkeeping, budgeting and month-end procedures, including reconciliations and preparation of the regular financial reporting. Moreover, policies for approval of invoices and other expenditure vouchers have been established so as to ensure due approval.

#### **Risk assessment**

The Supervisory and Executive Boards perform an annual overall risk assessment of the financial reporting process with a view to identifying the most significant and risky areas.

The determination of certain items in the financial statements requires estimate and judgment on the part of Management. These items are given special attention in connection with the risk assessment and are described in note 2 to the Annual Report.

Moreover, any significant changes of accounting policies are included in the risk assessment.

#### **Control activities**

The Company's internal controls focus on the significant and risky areas identified.

A number of control activities have been established in order to prevent, detect and correct any errors, misstatements and irregularities thus ensuring that the financial reporting is correct and complete.

The Executive Board has prepared minimum requirements for controls covering the most significant and risky items. These controls have been compiled in a control catalogue submitted to the Supervisory Board. The purpose of the control catalogue is to increase the efficiency of the control environment and to ensure an adequate basis for the Supervisory Board's monitoring of the Company's internal control and risk management systems.

Access to bookkeeping and accounting systems is restricted to relevant functions, and due segregation of duties has been ensured in the accounts department and other departments that supply data for the financial statements. Controls relating to IT applications and IT general controls ensure that financial data are not lost.

The Executive Board's monthly budget control meetings with all main area managers allow the Board to detect and correct any errors, misstatements and irregularities of the financial reporting at an early stage.

#### **Information and communication**

The Company's guidelines of relevance to the financial reporting process are available on the intranet to which all employees have access. Major changes to these guidelines will be communicated directly to all officers with financial responsibility.

#### **Monitoring**

All employees with control-related responsibilities report currently to the Executive Board on the execution and documentation of controls. Any control failure or non-compliance with established guidelines are reported currently to the Executive Board which follows up.

A summary of the above reporting is submitted to the Supervisory Board at least on an annual basis.



**I remember the year because:**



”... we did more work ourselves which was previously handled by contractors.”

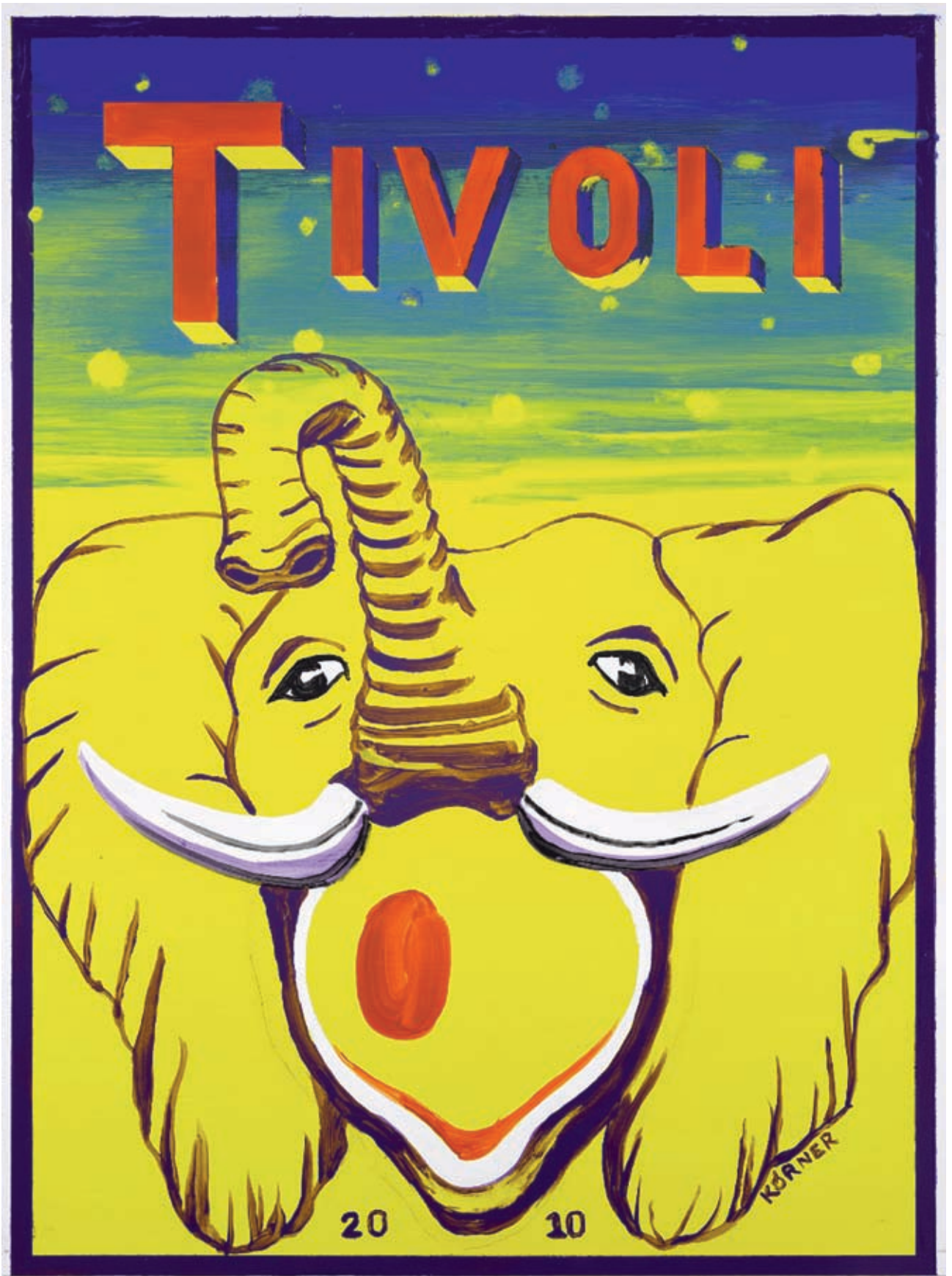
*Thomas Hyttel, Carpenter*



**Russian President Dmitrij Medvedev paid an official visit to Denmark in May and chose Tivoli as the venue for his reciprocate event for the Queen. Following a dinner at Nimbo, there was a ballet performance at the Concert Hall with stars from the Bolshoi Ballet.**

## Share and Dividend Ratios

<b>GROUP</b>	<b>2010</b> (12 months)	<b>2009</b> (12 months)	<b>2008</b> (9 months)	<b>2007/08</b> (12 months)	<b>2006/07</b> (12 months)
Average number of shares ('000)	571.7	571.7	571.7	571.7	571.7
Earnings in DKK, per share of DKK 100 (EPS)	10.5	27.5	98.8	35.9	65.8
Cash flows from operating activities in DKK per share (CFPS)	102	127	269	164	120
Net asset value in DKK per share, end of year	1,029	1,029	1,015	937	918
Share price in DKK, end of year	3,251	3,239	3,000	3,800	4,370
Dividend in DKK, per share of DKK 100	2.62	6.87	14.76	9.00	16.44
% payout ratio	25%	25%	15%	25%	25%
Price/earnings ratio (PE)	310	118	30	106	66
Price/cash flow (PCF)	32	25	11	23	36
Price/net asset value (P/NAV)	3.16	3.15	2.95	4.05	4.76



The Tivoli Poster 2010 by John Körner

## Income Statement 1 january-31 december

DKK million	2010	2009
Note		
<b>REVENUE</b>		
4 Earnings from entrance fees	165.4	163.3
Rides	126.5	128.0
5 Games and shops	32.2	34.4
Food & Beverage	156.2	145.7
Concert Hall, Glass Hall and conference halls	24.9	31.9
6 Rental income	75.3	71.5
<b>NET REVENUE</b>	580.5	574.8
7 Other operating income	41.7	47.6
	622.2	622.4
<b>EXTERNAL EXPENSES</b>		
8 Operating expenses	108.7	105.3
9 Maintenance	26.7	25.4
10 Artistic events	35.7	37.2
Property taxes and insurance	16.3	16.1
Promotion and advertising	18.5	23.4
11 Other external expenses	46.3	38.8
	252.2	246.2
12 Staff expenses	286.3	282.3
	538.5	528.5
<b>EBITDA</b>	83.7	93.9
13 Depreciation, amortisation and impairment	66.2	61.9
<b>EBIT</b>	17.5	32.0
14 Financial income	0.8	0.9
15 Financial expenses	9.1	11.9
<b>PROFIT BEFORE TAX</b>	9.2	21.0
16 Tax on profit for the year	-3.2	-5.3
<b>NET PROFIT</b>	6.0	15.7
17 <b>EARNINGS PER SHARE</b>		
Earnings in DKK, per share of DKK 100 (EPS)	10.5	27.5
Diluted earnings in DKK, per share of DKK 100 (EPS-D)	10.5	27.5

## Statement of Comprehensive Income

<b>PROFIT FOR THE YEAR</b>	6.0	15.7
Value adjustments:		
Value adjustment hedging instruments	-2.3	0.3
Other adjustments:		
Tax on value adjustments hedging instruments	0.6	-0.1
<b>TOTAL COMPREHENSIVE INCOME</b>	4.3	15.9



## Cash Flow Statement 1 January - 31 December

DKK million	2010	2009
Note		
Profit before tax	9.2	21.0
Adjustment for non-cash items etc:		
Operating income	-	-2.4
Depreciation, amortisation and impairment	66.2	61.9
Financial income	-0.8	-0.9
Financial expenses	9.1	11.9
Cash flows from operating activities before change in working capital	83.7	91.5
18 Change in working capital	-15.7	-1.2
Cash flows from operating activities before financial income and expenses	68.0	90.3
Financial income	0.8	1.1
Financial expenses	-9.1	-11.9
Cash flows from operating activities before tax	59.7	79.5
Corporation tax paid	-1.7	-6.8
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>58.0</b>	<b>72.7</b>
Purchase of intangible assets	-58.3	-63.8
Purchase/capital contribution joint ventures	-	1.1
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-58.3</b>	<b>-62.7</b>
Debt financing:		
Raising/repayment of mortgage loans	-4.5	-3.4
Change in payables to group enterprises	10.8	-7.7
Shareholders:		
Dividend distributed	-3.9	-8.4
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>2.4</b>	<b>-19.5</b>
<b>CASH FLOWS FOR THE YEAR</b>	<b>2.1</b>	<b>-9.5</b>
Cash and cash equivalents, beginning of year	18.3	27.8
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>20.4</b>	<b>18.3</b>

## Balance Sheet at 31 December

DKK million	2010	2009
Note		
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
19 <b>INTANGIBLE ASSETS</b>		
Rights	8.3	11.1
	8.3	11.1
20 <b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land and buildings	648.4	640.4
Other fixtures and fittings, tools and equipment	195.6	205.6
Assets under construction and prepayments for property, plant and equipment	11.1	13.9
	855.1	859.9
<b>OTHER NON-CURRENT ASSETS</b>		
21 Debt instrument receivable	1.4	1.4
	1.4	1.4
<b>TOTAL NON-CURRENT ASSETS</b>	864.8	872.4
<b>CURRENT ASSETS</b>		
21 Current part of non-current debt instruments receivable	0.3	0.3
23 Goods for resale	8.7	8.3
24 Trade receivables	32.8	28.0
Other receivables	7.3	7.3
Tax receivables	2.7	-
25 Prepayments	3.6	4.5
Deposits	1.4	1.4
Cash at bank and in hand	20.5	18.3
	77.3	68.1
<b>TOTAL CURRENT ASSETS</b>	77.3	68.1
<b>TOTAL ASSETS</b>	942.1	940.5

## Balance Sheet at 31 December

DKK million	2010	2009
Note		
<b>LIABILITIES AND EQUITY</b>		
<b>EQUITY</b>		
26 Share capital	57.2	57.2
Reserves	529.7	526.9
	586.9	584.1
Proposed dividend	1.5	3.9
<b>TOTAL EQUITY</b>	588.4	588.0
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
27 Non-current debt	86.5	91.1
30 Non-current deferred income	-	8.7
22 Deferred tax liabilities	13.9	9.4
<b>TOTAL NON-CURRENT LIABILITIES</b>	100.4	109.2
<b>CURRENT LIABILITIES</b>		
27 Current debt	3.3	3.1
28 Payables to group enterprises	133.2	122.4
Trade payables	20.0	20.6
Corporation tax payable	-	0.9
29 Other payables	62.0	63.1
30 Deferred income	34.8	33.2
<b>TOTAL CURRENT LIABILITIES</b>	253.3	243.3
<b>TOTAL LIABILITIES AND EQUITY</b>	942.1	940.5
31 Contingent liabilities and security, etc		
32 Financial risks		
33 Cash flow hedges		
34 Hedge transactions recognised directly in equity		
35 Related party transactions		
36 Key figures and ratios as well as share and dividend ratios including unaudited comparative figures		

## Statement of Changes in Equity

DKK million

	Share capital	Reserves		Proposed dividend	Total
		Hedge Transactions <sup>1)</sup>	Retained earnings		
<b>EQUITY AT 1 JANUARY 2009</b>	57.2	-6.7	521.6	8.4	580.5
<b>CHANGES IN EQUITY IN 2009</b>					
Comprehensive income for the year	-	0.2	11.8	3.9	15.9
Dividend distributed	-	-	-	-8.4	-8.4
<b>TOTAL CHANGES IN EQUITY IN 2009</b>	-	0.2	11.8	-4.5	7.5
<b>EQUITY AT 1 JANUARY 2010</b>	57.2	-6.5	533.4	3.9	588.0
<b>CHANGES IN EQUITY IN 2010</b>					
Comprehensive income for the year	-	-1.7	4.5	1.5	4.3
Dividend distributed	-	-	-	-3.9	-3.9
<b>TOTAL CHANGES IN EQUITY IN 2010</b>	-	-1.7	4.5	1.5	0.4
<b>EQUITY AT 31 DECEMBER 2010</b>	57.2	-8.2	537.9	1.5	588.4

1) Note 34 discloses changes in "Hedge transactions recognised directly in equity".

### DIVIDEND

Dividend of DKK 1.5 million is proposed (2009: DKK 3.9 million), corresponding to dividend per share of DKK 2.62 (2009: DKK 6.87).

Dividend of DKK 3.9 million has been distributed during the year (2009: DKK 8.4 million).

Distribution of dividend to the shareholders of Tivoli A/S has no tax implications to Tivoli A/S.



**Benjamin and Marie Carmen Koppel with Tivoli's Big Band**

## Notes

### Note 1 - Accounting Policies

Tivoli A/S is a limited company registered in Denmark.

The Annual Report of Tivoli A/S for 2010 is presented in accordance with the International Financial Reporting Standards as issued by the IASB and as adopted by the EU as well as additional Danish disclosure requirements for annual reports of listed companies.

### New International Accounting Standards/Financial Reporting Standards and Interpretations

The accounting policies applied including the presentation remain unchanged from 2009. The implementation of IFRS 3 and related changes for reasons of consistency, annual improvements of IFRS 2009, amendments to IFRS 1, IAS 27 and IAS 39 as well as IFRIC 17 and IFRIC 18 thus do not have any effect on Tivoli.

### International Accounting Standards/Financial Reporting Standards (IAS/IFRS) and Interpretations (IFRIC) adopted but not yet effective

It is assessed that the amendments to standards and interpretations adopted by the EU at 31 December 2010 which take effect for financial years beginning on or after 1 January 2011 do not have any material effect on the Company's future Annual Reports. It is thus assessed that amendments to IAS 24 and IAS 32, annual improvements of IFRS 2010 as well as amendments to IFRIC 14 and IFRIC 19 do not have any effect on Tivoli.

### Basis of preparation

The Annual Report is presented in DKK rounded off to DKK 1,000,000 to one decimal place.

The Annual Report is prepared under the historical cost convention.

The accounting policies described below have been applied consistently for the financial year and for comparative figures. The accounting policies are unchanged from last year.

## Description of accounting policies

### Translation policies

Transactions in foreign currencies are initially translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the date of contracting the receivable or payable or the rates in the latest Annual Report are recognised in financial income and expenses in the income statement.

### Derivative financial instruments

Derivative financial instruments are initially recognised in

## I remember the year because:



"... Entertainment managed to change the organisation so that it matches better with the breadth and business volumes of the area."

*Jacob Olsen, Purchasing Manager*



The Astrid Lindgren World theme park in Vimmerby, Småland, Sweden features all of the beloved characters from the Swedish author's books live. In 2010 Tivoli was able for the fifth time to present Pippi Longstocking and her friends and tormentors at Tivoli.

the balance sheet at cost and are subsequently remeasured at their market value.

The market value of derivative financial instruments is recognised in other receivables or other payables. Positive and negative values are offset only where the Company has a right to and intention of settling several financial instruments on a net basis. Market values of derivative financial instruments are calculated on the basis of current market data and recognised valuation methods.

Changes in the market value of derivative financial instruments that are designated and qualify as market value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the part of the market value of derivative financial instruments that is designated and qualifies as a hedge of future cash flows and which effectively hedges changes in the value of the hedged transaction are recognised in equity. When the hedged transaction is realised, any gain or loss on such hedging transactions is transferred from equity and recognised in the same item as the hedged transaction.

Changes to the market value of derivative financial instruments which do not qualify for hedge accounting are recognised in financial income and expenses in the income statement as they occur.

#### **Leases**

The Company has not entered into any finance leases. Payments made under operating leases are recognised in the income statement over the lease term.

## **Income Statement**

#### **Net revenue**

Net revenue comprises operating income by way of earnings from entrance fees to the Gardens, including earnings from the sale of Season Passes, earnings from rides, rental income from buildings, premises, etc as well as income from the sale of services.

Income is recognised in the income statement provided that delivery and transfer of risk have been made before year end and provided that the income can be measured reliably and is expected to be received.

Where a service is delivered over several financial periods, such as earnings from the sale of Season Passes, it is accounted for on an accruals basis.

Net revenue is measured at fair value exclusive of VAT and duties charged on behalf of third parties. All types of discounts granted are recognised in net revenue.

Revenue from cash games is presented net of prize payments and gaming taxes.

#### **Other operating income**

Other operating income comprises items of a secondary nature to the activities of the enterprises, including projecting fees earned, sponsorships received and gains on the sale of intangible assets and property, plant and equipment.

#### **Other external expenses**

Other external expenses comprise expenses for leasing of premises, office expenses, external cash handling, IT, legal assistance and consulting services.

#### **Financial income and expenses**

Financial income and expenses comprise interest, capital gains and losses on securities, payables and transactions in foreign currencies, amortisation of financial assets and liabilities as well as extra payments and repayment under the on-account taxation scheme, etc.

#### **Tax on profit for the year**

Tivoli A/S is included in the joint taxation under Chr. Augustinus Fabrikker Aktieselskab. Tax for the year consists of current tax for the year and changes in deferred tax. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## **Balance Sheet**

#### **Intangible assets**

Intangible rights acquired upon business combinations are measured at cost less accumulated amortisation and impairment losses. Intangible rights are amortised on a straight-line basis over their expected useful life (up to 10 years).

Development projects are measured at cost.

#### **Property, plant and equipment**

Land and buildings as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

The cost of assets of own construction comprises direct and indirect expenses for materials, components, sub-contractors and labour. Borrowing costs directly related to the acquisition, construction or manufacturing of a qualifying asset are capitalised as part of the cost of the asset. Subsidies are deducted from cost. The cost of a total asset is decomposed into separate constituent parts which are depreciated separately if the individual parts have different useful lives.

Subsequent expenses, eg to replace parts of an item of property, plant and equipment, are recognised in the carrying amount of the asset in question when it is probable that payment will result in future economic benefits to the Company. The carrying amount of the parts replaced is derecognised in the balance sheet and transferred to the income statement. Expenses for ordinary repair and maintenance are recognised in the income statement as incurred. Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, which are:

Buildings	20-50 years
Reconstruction of buildings	10-15 years
Special installations	10 years
Rides, stationary	15-25 years
Rides, mobile	10 years
Gardens	5-10 years

Outlets, stalls, etc	6-10 years
Tools and equipment	3-6 years

Land is not depreciated.

The basis for depreciation is calculated taking into account the residual value of the asset and is reduced by any impairment losses.

The residual value is determined at the date of acquisition based on a specific assessment and is reassessed annually. Where the residual value exceeds the carrying amount of the asset, depreciation ceases.

In the event of changes to the depreciation period or the residual value, the effect on depreciation is recognised prospectively as a change of accounting estimate.

It should be noted specifically that the physical life of Tivoli's rides may be significantly longer than their entertainment life. Tivoli has chosen to depreciate the rides over their entertainment life.

Tivoli does not apply residual values for rides since most of the individual ride cannot be re-established without material changes to the constituent parts of the asset in case of dismantling of the ride.

Profits and losses on the disposal of property, plant and equipment are calculated as the difference between selling price less costs to sell and carrying amount at the time of sale. Profits or losses are recognised in the income statement under other operating income or other external expenses.

#### Debt instruments receivable

Debt instruments receivable are recognised in assets on the transaction dates. Debt instruments receivable are initially recognised at fair value adjusted for transaction expenses directly related to the transaction. Subsequently, debt instruments receivable are measured at fair value calculated on the basis of recognised valuation methods for unlisted securities.

Unrealised value adjustments are recognised directly in equity except for impairment losses and any reversal of such losses. On realisation, the accumulated value adjustment recognised in equity is transferred to financial income and expenses in the income statement.

#### Impairment of non-current assets

The carrying amounts of non-current assets are reviewed on an annual basis to determine whether there is any indication of impairment. If so, the recoverable amount of the asset is calculated. The recoverable amount is the higher of the fair value of the asset less estimated costs to sell and value in use. Value in use is calculated as the net present value of expected future cash flows from the asset or the cash-generating unit of which the asset forms part.

Impairment losses are recognised where the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement.

## I remember the year because:



"... we received so wonderfully many visitors when summer finally arrived."

*Erik Ebert, Ticket Inspector*



Thousands of expectant festival guests visited Tivoli on 25 June for Roskilde Day. Here they could exchange their Roskilde Festival tickets for a festival bracelet and listen to music from the festival programme.

It is Tivoli's assessment that the Company has only one measurable cash-generating unit corresponding to the legal entity Tivoli A/S.

Impairment losses on non-current assets are reversed to the extent of any changes to the assumptions and estimates on which the impairment loss was based. Impairment losses are reversed only where the new carrying amount of the asset does not exceed the carrying amount that the asset would have had after depreciation if the asset had not been impaired.

#### **Inventories**

Inventories are measured at cost calculated under the average cost method. Where net realisable value is lower than cost, inventories are written down to the lower value.

The cost of goods for resale equals landed cost.

The net realisable value of inventories is calculated at selling price with deduction of costs to sell and is determined allowing for marketability, obsolescence and development in expected sales sum.

#### **Receivables**

Receivables are measured at amortised cost. Provisions for bad debts are made.

#### **Prepayments**

Prepayments comprise prepaid expenses relating to subsequent financial years and are measured at amortised cost.

#### **Equity**

Proposed dividend is recognised as a liability at the time of adoption at the Annual General Meeting (the time of declaration). Dividend expected to be distributed for the year is disclosed as a separate equity item.

#### **Current tax and deferred tax**

Current tax liabilities and receivables are recognised in the balance sheet at the amount calculated on the taxable income for the year adjusted for tax on taxable incomes for prior years.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of items where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income. In cases where the computation of the tax base may be made according to different tax rules, deferred tax is measured on the basis of Management's intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the value at which they are expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes to deferred tax due to changed tax rates are recognised in the income statement.

#### **Financial liabilities**

Mortgage loans and loans from credit institutions are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the financial liabilities are measured at amortised cost using the "effective interest method"; the difference between the proceeds and the nominal value is recognised in financial expenses in the income statement over the loan period.

Other liabilities are measured at amortised cost.

#### **Deferred income**

Deferred income comprises payments received in respect of income for subsequent years measured at amortised cost.

#### **Cash flow statement**

The cash flow statement shows cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated under the indirect method as profit before tax adjusted for non-cash operating items, changes in working capital, interest paid and corporation tax paid.

Cash flows from investing activities comprise cash flows from business acquisitions and sales, acquisition and disposal of intangible assets, property, plant and equipment and other non-current assets.

Cash flows from financing activities comprise changes to the amount or structure of share capital and related expenses as well as cash flows from the raising of loans, repayment of interest-bearing debt as well as dividend distribution to shareholders.

Cash and cash equivalents comprise cash at bank and in hand.



**The ride The Flying Trunk was thoroughly renovated in 2010. The riders travel in large trunks past tableaux from Hans Christian Andersen's most popular fairytales and end up being greeted by the storyteller himself.**





Tenor Jonas Kaufmann



Violinist Joshua Bell

## Segment reporting

At Tivoli, management responsibility is divided on nine main areas managed by Vice Presidents. Five of the main areas generate revenue, whereas the four remaining main areas undertake administrative functions within IT, Finance, Marketing and HR as well as operation and maintenance of the Gardens. Only the first five main areas are considered reportable according to IFRS 8. Depreciation, amortisation and financial expenses are not allocated on to the main areas. Therefore "Profit before depreciation, amortisation and impairment" has been chosen as a performance measure in the segment reporting. Similarly, the balance sheet has not been broken down on main areas and therefore total assets per main area are not presented.

## Financial ratios

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33. Other ratios are calculated in accordance with the Recommendations and Financial Ratios 2010 issued by the Danish Society of Financial Analysts.

The financial ratios disclosed in the Annual Report have been calculated as follows

### PROFIT MARGIN (EBIT MARGIN)

$$\frac{\text{EBIT} \times 100}{\text{Net revenue}}$$

### SOLVENCY RATIO

$$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$$

### RETURN ON EQUITY

$$\frac{\text{Net profit/loss} \times 100}{\text{Average equity excl. minority interests}}$$

### EARNINGS PER SHARE (EPS)

$$\frac{\text{Net profit/loss}}{\text{Average number of shares in circulation}}$$

### CASH FLOW PER SHARE (CFPS)

$$\frac{\text{Cash flows from operating activities}}{\text{Average number of shares in circulation}}$$

### NET ASSET VALUE

$$\frac{\text{Equity excl. minority interests at year end}}{\text{Number of shares}}$$

### DIVIDEND PER SHARE

$$\frac{\text{Dividend rate} \times \text{nominal value of share}}{100}$$

### DIVIDEND RATE

The ratio of dividend to share capital

### PAYOUT RATIO

$$\frac{\text{Dividend distributed}}{\text{Profit/loss for analytical purposes}}$$

### PRICE/EARNINGS RATIO (PE)

$$\frac{\text{Market price}}{\text{EPS}}$$

### PRICE CASH FLOW (PCF)

$$\frac{\text{Market price}}{\text{CFPS}}$$

## SHARE PRICE/NET ASSET VALUE (P/NAV)

$$\frac{\text{Market price}}{\text{Net asset value}}$$



## Note 2 – Accounting estimates and judgements

### The uncertainty of estimates

Calculation of the carrying amount of certain assets and liabilities requires estimates, judgements and assumptions with respect to future events.

The estimates and assumptions made are based on historical experience and other factors which Management deems justifiable in the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Furthermore, the Company is subject to risks and uncertainties which may lead to the actual results deviating from estimates. Particular risks to which the Company is subject are mentioned in Management's Review and note 33 to the Financial Statements.

It may be necessary to change previous estimates due to changes in the circumstances on which the previous estimates were based or due to new knowledge or subsequent events.

Estimates which are material to the financial reporting are made by, among other means, calculating depreciation, amortisation and impairment, residual values, provisions as well as contingent liabilities and assets.

**Accounting policies**

As a part of its application of the Company’s accounting policies, Management makes judgements, in addition to estimates, which may materially affect the amounts recognised in the Annual Report.

In 2010, Management has made judgements regarding:

**Residual values**

Residual values are determined at the time of acquisition based on a specific assessment. Management believes that the residual value of rental buildings can be determined as twice the minimum rental income.

In the case of temporary structures or buildings for which there are specific plans to make major changes, the residual value is determined at DKK 0. For the Nimb Building, the Concert Hall, the Glass Hall and the Pantomime Theatre, the residual values have been determined at DKK 54 million, DKK 50 million, DKK 10 million and DKK 5 million, respectively.

In Management’s assessment, as in previous years, residual values are not to be applied to the year’s new rides since most of the individual ride cannot be re-established without material changes to the constituent parts of the asset in case of dismantling of the ride.

**Useful lives**

In Management’s assessment, the physical life of Tivoli’s rides may be significantly longer than their entertainment life. Tivoli has chosen to depreciate the rides over their entertainment life because the rides will only be capable of generating positive net cash flows during their entertainment life.

**I remember the year because:**



**”... we hired three very professional aquarium guides.”**

*Lasse Brandt Due Andersen,  
Curator, The Tivoli Aquarium*



## Notes for Income Statement

### Note 3 – Segment reporting

At Tivoli, management responsibility is divided on nine main areas managed by Vice Presidents. Five of the main areas generate revenue, whereas the four remaining main areas undertake administrative functions within IT, Finance, Marketing and HR as well as operation and maintenance of the Gardens. Only the first five main areas are considered reportable according to IFRS 8.

Expenses for administrative functions as well as operation and maintenance of the Gardens are not allocated to the other main areas. Entertainment bears the expenses for Friday Rock concerts, Garden orchestras, Pantomime shows and other events in the Gardens. Earnings from entrance fees are recognised in Service and partly in Sales.

Entertainment does not receive a share of earnings from entrance fees and is, viewed in isolation, a loss-making segment.

Food & Beverage operates Tivoli's own restaurants as well as the Nimb House (in 2009 and 2010). Income from tenanted restaurants is allocated to Real Estate.

Depreciation, amortisation and financial expenses are not allocated on to the main areas. Therefore "Profit before depreciation, amortisation and impairment" has been chosen as a performance measure in the segment reporting. Similarly, the balance sheet has not been broken down on main areas and therefore total assets per main area are not presented.

SEGMENT REPORTING								2010
DKK million	Service	Food & Beverage	Real Estate	Sales and Sponsors	Entertainment	Total	Not allocated	Total
Earnings from entrance fees	142.1	-	-	23.3	-	<b>165.4</b>	-	<b>165.4</b>
Rides	115.0	-	-	11.5	-	<b>126.5</b>	-	<b>126.5</b>
Games and shops	32.2	-	-	-	-	<b>32.2</b>	-	<b>32.2</b>
Food & Beverage	-	158.6	-	-	-	<b>158.6</b>	-	<b>158.6</b>
Concert Hall etc.	1.0	3.6	-	10.9	9.4	<b>24.9</b>	-	<b>24.9</b>
Rental income	-	7.7	67.3	-	0.2	<b>75.2</b>	-	<b>75.2</b>
Other operating income	2.1	3.0	0.8	15.6	8.6	<b>30.1</b>	9.3	<b>39.4</b>
Revenue	<u>292.4</u>	<u>172.9</u>	<u>68.1</u>	<u>61.3</u>	<u>18.2</u>	<b>612.9</b>	9.3	<b>622.2</b>
Profit/loss before depr., amort. and impairm.	<u>198.2</u>	<u>19.3</u>	<u>64.1</u>	<u>48.8</u>	<u>-62.8</u>	<b>267.6</b>	-183.9	<b>83.7</b>

Not allocated comprises administrative functions as well as operation and maintenance of the Gardens. These functions have no business activities and generate only very limited revenue. In 2010 "not allocated" includes DKK 3.6 million relating to invoicing of cleaning and refuse collection, income from sponsors of DKK 0.1 million and royalty of DKK 2.5 million.

SEGMENT REPORTING								2009
DKK million	Service	Food & Beverage	Real Estate	Sales and Sponsors	Entertainment	Total	Not allocated	Total
Earnings from entrance fees	143.3	-	-	20.0	-	<b>163.3</b>	-	<b>163.3</b>
Rides	119.4	-	-	8.6	-	<b>128.0</b>	-	<b>128.0</b>
Games and shops	34.1	0.3	-	-	-	<b>34.4</b>	-	<b>34.4</b>
Food & Beverage	-	145.7	-	-	-	<b>145.7</b>	-	<b>145.7</b>
Concert Hall etc.	0.9	0.7	-	10.9	19.4	<b>31.9</b>	-	<b>31.9</b>
Rental income	-	5.8	65.5	-	0.2	<b>71.5</b>	-	<b>71.5</b>
Other operating income	0.7	4.0	0.2	16.5	13.4	<b>34.8</b>	12.8	<b>47.6</b>
Revenue	<u>298.4</u>	<u>156.5</u>	<u>65.7</u>	<u>56.0</u>	<u>33.0</u>	<b>609.6</b>	12.8	<b>622.4</b>
Profit/loss before depr., amort. and impairm.	<u>207.1</u>	<u>12.0</u>	<u>62.2</u>	<u>43.0</u>	<u>-50.6</u>	<b>273.7</b>	-179.8	<b>93.9</b>

Not allocated comprises administrative functions as well as operation and maintenance of the Gardens. These functions have no business activities and generate only very limited revenue. In 2009 "not allocated" includes DKK 3.2 million relating to invoicing of cleaning and refuse collection, income from sponsors of DKK 2.0 million, royalty of DKK 2.7 million and negative goodwill of DKK 2.4 million relating to the acquisition of Nimb.

DKK million	2010	2009
<b>4 EARNINGS FROM ENTRANCE FEES</b>		
Tickets sold	101.8	103.0
Season passes	63.6	60.3
	165.4	163.3
<b>5 GAMES AND SHOPS</b>		
Amusement games *	27.1	29.3
Shops	5.1	5.1
	32.2	34.4
* Amusement games comprise the following items:		
Taxable net revenue after payment of winnings	32.0	33.9
Games tax	-10.4	-10.9
Goods lotteries and games, etc	5.5	6.3
Total amusement games	27.1	29.3
<b>6 RENTAL INCOME</b>		
Restaurants, self-service and fast food	43.0	46.8
Kiosks, rides, etc	18.7	18.7
Exhibitions, service activities, etc	3.6	0.2
Hotel rooms	10.0	5.8
	75.3	71.5
<b>7 OTHER OPERATING INCOME</b>		
Planning fees and contract work	11.1	9.8
Sponsorships	16.6	22.2
Negative goodwill, business acquisition (note 22)	-	2.4
Other	14.0	13.2
	41.7	47.6
<b>8 OPERATING EXPENSES</b>		
Cost of sales	48.0	48.4
Electricity and heating, etc	17.5	16.5
Operating expenses, the Garden	32.2	29.9
Operating expenses, Food & Beverage	4.5	3.6
Other	6.5	6.9
	108.7	105.3
<b>9 MAINTENANCE</b>		
Buildings	15.5	16.3
Rides	5.0	4.3
Other	6.2	4.8
	26.7	25.4
<b>10 ARTISTIC EVENTS</b>		
The Tivoli Symphony Orchestra	7.4	7.6
Fees etc for artists	15.9	19.2
Other	12.4	10.4
	35.7	37.2
<b>11 OTHER EXTERNAL EXPENSES</b>		
Fee to auditors appointed at the general meeting:		
PricewaterhouseCoopers	1.0	1.0
	1.0	1.0
Specified as follows:		
Audit	0.7	0.6
Other assurance engagements	0.1	0.1
Tax consultancy and other services	-	-
Other services	0.2	0.3
	1.0	1.0

DKK million		<b>2010</b>	<b>2009</b>
<b>12 STAFF EXPENSES</b>			
Wages and salaries		260.6	254.6
Defined contribution plans		17.5	17.5
Other social security expenses		3.7	5.3
Other staff expenses		4.5	4.9
		<u>286.3</u>	<u>282.3</u>
Wages and salaries are net of value of own work performed on investments etc totalling		2.2	3.0
Average number of employees		683	782
Remuneration of Supervisory Board, Executive Board and senior executives:			
Supervisory Board	Remuneration	1.2	1.0
	Pension	-	-
		<u>1.2</u>	<u>1.0</u>
Lars Liebst CEO	Salary including value of car	3.3	3.2
	Bonus	-	-
	Pension	0.5	0.4
		<u>3.8</u>	<u>3.6</u>
Claus Dyhr CFO	Salary including value of car	1.6	1.4
	Bonus	-	-
	Pension	0.1	0.1
		<u>1.7</u>	<u>1.5</u>
Total Executive Board	Salaries	5.1	4.4
	Bonus	-	-
	Pension	0.6	0.5
		<u>5.7</u>	<u>4.9</u>
Senior executives	Salaries and wages	6.9	6.4
	Bonus	0.1	0.1
	Pension	0.7	0.6
		<u>7.7</u>	<u>7.1</u>

Senior executives are the members of Tivoli's Senior Management Team (see page 9).

Other than performance-based bonus programmes for the Executive Board and senior executives, Tivoli A/S has no incentive programmes, such as share option programmes etc.

No unusual severance programmes have been agreed upon for the Executive Board.

The basic fee paid to each member of the Supervisory Board amounts to DKK 150,000. The Chairman of Tivoli's Supervisory Board is remunerated by 3 times the basic fee, at total of DKK 450,000, and the Deputy Chairman by 1.5 times the basic fee, a total of DKK 262,500.

DKK million	2010	2009
<b>13 DEPRICIATION</b>		
Rights	2.8	2.9
Buildings	27.4	26.4
Other fixtures and fittings, tools and equipment	36.0	32.6
	<u>66.2</u>	<u>61.9</u>
<b>14 FINANCIAL INCOME</b>		
Interest, cash and bank, etc	0.3	0.7
Exchange gains	0.5	0.2
	<u>0.8</u>	<u>0.9</u>
<b>15 FINANCIAL EXPENSES</b>		
Interest, credit institutions	5.2	6.3
Interest paid to group enterprises	3.6	5.3
Exchange losses	0.3	0.3
	<u>9.1</u>	<u>11.9</u>
<b>16 TAX ON PROFIT FOR THE YEAR</b>		
<i>Tax on profit for the year breaks down as follows:</i>		
Current tax	-2.7	0.9
Adjustment prior year tax, current tax	0.8	0.7
Change in deferred tax for the year	4.5	4.8
Adjustment prior year tax, deferred tax	-	-1.0
Total tax for the year	2.6	5.4
Tax recognised in equity	0.6	-0.1
Tax recognised in income statement	3.2	5.3
<i>Tax on profit for the year is explained as follows:</i>		
Calculated 25% tax on profit before tax	2.3	5.2
Tax effect of:		
Non-deductible expenses	0.4	0.3
Adjustment prior year tax	-	-0.3
Other adjustments	0.5	0.1
	<u>3.2</u>	<u>5.3</u>
Effective tax rate	34.8%	25.2%
<b>17 EARNINGS PER SHARE</b>		
Profit for the year	6.0	15.7
Average number of shares	571,666	571,666
Average number of treasury shares	-	-
Average number of shares in circulation	571,666	571,666
Earnings in DKK, per share of DKK 100 (EPS)	10.5	27.5
Diluted earnings in DKK, per share of DKK 100 (EPS-D)	10.5	27.5

## Notes to Cash Flow Statement

<b>18 CHANGE IN WORKING CAPITAL</b>		
Change in receivables etc	-4.3	2.2
Change in inventories	-0.4	1.2
Change in trade payables, other payables, etc	-11.0	-4.6
	<u>-15.7</u>	<u>-1.2</u>

## Notes to Balance Sheet

DKK million

### 19 INTANGIBLE ASSETS

	<b>Rights</b>
Cost at 1 January 2010	21.2
Additions	-
Cost at 31 December 2010	<u>21.2</u>
Amortisation and impairment at 1 January 2010	10.1
Additions	-
Amortisation	2.8
Amortisation and impairment at 31 December 2010	<u>12.9</u>
Carrying amount at 31 December 2010	<u>8.3</u>
Cost at 1 January 2009	11.2
Addition upon business acquisition	10.0
Transferred from assets under construction	-
Cost at 31 December 2009	<u>21.2</u>
Amortisation and impairment at 1 January 2009	6.5
Amortisation	0.7
Addition upon business acquisition	2.9
Amortisation and impairment at 31 December 2009	<u>10.1</u>
Carrying amount at 31 December 2009	<u>11.1</u>

Intangible assets have not been pledged.

### 20 PROPERTY, PLANT AND EQUIPMENT

	<b>Land and buildings</b>	<b>Other fixtures, fittings, tools and equipment</b>	<b>Assets under construction</b>
Cost at 1 January 2010	1,114.4	617.7	13.9
Transferred from assets under construction	34.7	35.2	-69.9
Additions	-	-	64.9
Disposals	-0.9	-12.7	
Addition, value of own work	-	-	2.2
Cost at 31 December 2010	<u>1,148.2</u>	<u>640.2</u>	<u>11.1</u>
Amortisation and impairment at 1 January 2010	474.0	412.1	-
Depreciation	27.1	36.3	-
Disposals	-1.3	-3.8	
Amortisation and impairment at 31 December 2010	<u>499.8</u>	<u>444.6</u>	<u>-</u>
Carrying amount at 31 December 2010	<u>648.4</u>	<u>195.6</u>	<u>11.1</u>



Note 20, continued

	<b>Land and buildings</b>	<b>Other fixtures, fittings, tools and equipment</b>	<b>Assets under construction</b>
Cost at 1 January 2009	1,088.3	538.2	14.4
Transferred from assets under construction	23.4	40.9	-64.3
Additions	-	-	60.8
Addition on business acquisition	2.7	38.6	
Addition, value of own work	-	-	3.0
Cost at 31 December 2009	<u>1,114.4</u>	<u>617.7</u>	<u>13.9</u>
Cost at 31 December 2009	446.7	376.8	-
Addition on business acquisition	0.9	2.7	-
Depreciation	26.4	32.6	-
Depreciation and impairment at 31 December 2009	<u>474.0</u>	<u>412.1</u>	<u>-</u>
	640.4	205.6	13.9
Depreciated over	<u>10-50 years</u>	<u>3-25 years</u>	<u>-</u>

DKK million

**2010**

**2009**

21 **DEBT INSTRUMENT RECEIVABLE**

Debt instrument receivable has been recognised in the balance sheet as follows:

Non-current receivables	1.4	1.4
Current receivables	0.3	0.3
Carrying amount	<u>1.7</u>	<u>1.7</u>
Fair value	<u>1.7</u>	<u>1.7</u>
Effective interest rate	<u>4.3%</u>	<u>4.5-5.5%</u>
Term to maturity	<u>4 years</u>	<u>5 years</u>

The receivable is an annuity loan in DKK on which interest is calculated at a floating interest rate equivalent to 3.5 percentage points above the discount rate.

DKK million	<b>2010</b>	<b>2009</b>
<b>22 DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES</b>		
Deferred tax at 1 January	9.4	6.6
Addition upon merger	-	-1.0
Adjustment prior year tax	-	-1.0
Deferred tax for the year recognised in profit for the year	4.5	4.8
Deferred tax at 31 December	<u>13.9</u>	<u>9.4</u>
Deferred tax is recognised at 25% and comprises:		
Non-current intangible assets	-1.4	-1.2
Non-current property, plant and equipment	18.1	15.5
Current assets	-1.4	-3.9
Current liabilities	-1.4	-1.0
	<u>13.9</u>	<u>9.4</u>
Expected utilisation as follows:		
Within 12 months of the balance sheet date	-	-
More than 12 months after the balance sheet date	13.9	9.4
	<u>13.9</u>	<u>9.4</u>
<b>23 GOODS FOR RESALE</b>		
Retail	1.1	1.1
Food & Beverage	5.5	5.5
Other inventories	2.1	1.7
	<u>8.7</u>	<u>8.3</u>
Retail goods have been written down by DKK 0 million (2009: DKK 0.5 million).		
<b>24 TRADE RECEIVABLES</b>		
Rent receivables	18.7	16.6
Miscellaneous receivables	14.1	11.4
	<u>32.8</u>	<u>28.0</u>
Trade receivables fall due for payment as follows:		
Not due	20.4	17.9
Less than 60 days overdue	7.9	6.7
Between 61 and 120 days overdue	0.6	1.5
Between 121 and 180 days overdue	-	0.1
More than 180 days overdue	3.9	1.8
Carrying amount at 31 December	<u>32.8</u>	<u>28.0</u>
Provisions for bad debts have developed as follows:		
Provisions at 1 January	1.9	2.4
Provisions for the year	1.1	0.7
Bad debts incurred	-1.5	-0.3
Provisions reversed	-0.3	-0.9
Provisions for bad debts at 31 December	<u>1.2</u>	<u>1.9</u>
Rent receivables are covered by a guarantee of DKK 7.5 million (2009: DKK 7.8 million).		
<b>25 PREPAYMENTS</b>		
Prepaid expenses relate to:		
Summer season etc	0.7	0.8
Other	2.9	3.7
	<u>3.6</u>	<u>4.5</u>

DKK million	2010	2009	2008	2007/08	2006/07
<b>26 SHARE CAPITAL</b>					
Share capital, beginning of year	57.2	57.2	57.2	57.2	57.2
Share capital, end of year	57.2	57.2	57.2	57.2	57.2

The share capital consists of 5.716,660 shares of DKK 10 each. The number of shares has been unchanged in the past five years. The share capital is fully paid up. All shares rank equally. The Company has not acquired or sold any treasury shares during the year. At year end, the Company holds no treasury shares.

**Provisions relating to amendment of Articles**

To pass resolutions on the amendment of the Articles, at least 2/3 of the share capital must be represented at the General Meeting, and the resolution must be passed by at least 2/3 of the votes cast as well as of the voting share capital represented at the General Meeting.

	2010	2009
<b>27 LOANS</b>		
<i>Non-current debt:</i>		
Mortgage loan	86.5	91.1
Total non-current debt	86.5	91.1
<i>Current debt:</i>		
Mortgage loan	3.3	3.1
Total current debt	3.3	3.1
Total non-current and current debt	89.8	94.2

**Non-current debt falls due within the following periods from the balance sheet date:**

DKK million	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	2010 Total
Mortgage loan	3.4	3.6	3.8	4.0	71.7	86.5

The mortgage loan is a 20-year loan maturing in 2028. The loan is floating-rate, but an interest rate swap with a fixed interest rate of 4.97% has been entered into for the full term of the loan.

**Non-current debt falls due within the following periods from the balance sheet date:**

DKK million	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	2009 Total
Mortgage loan	3.2	3.4	3.6	3.8	77.1	91.1

The mortgage loan is a 20-year loan maturing in 2028. The loan is floating-rate, but an interest rate swap with a fixed interest rate of 4.97% has been entered into for the full term of the loan.

DKK million	<b>2010</b>	<b>2009</b>
<b>28 PAYABLES TO GROUP ENTERPRISES</b>		
Payables to group enterprises	133.2	122.4
<p>Tivoli is part of a cash pool arrangement with Scandinavian Tobacco Group A/S. Through the cash pool arrangement, a credit facility denominated in DKK with a floating interest rate has been made available. The average nominal interest rate has been 2.3% in 2010 (2009: 3.7%). Credit facilities are reassessed annually.</p>		
<b>29 OTHER PAYABLES</b>		
Accrued staff expenses	25.8	23.0
Market value of hedging instruments	11.0	8.7
VAT payable	15.6	16.1
Other	9.6	15.3
	62.0	63.1

**30 DEFERRED INCOME**

**Non-current liabilities**

The dairy closed in 2010; therefore, the equipment made available by APV was returned. In 2009 the assets were included in fixed assets with set-off in deferred income. The assets were depreciated over 15 years. The liability was also cleared over 15 years and was recognised in the income statement as sponsorships.

**Current liabilities**

Deferred income relates to:

	<b>2010</b>	<b>2009</b>
Sponsorships etc	2.3	2.1
Season passes	29.8	27.4
Concert Hall etc	2.7	3.7
	34.8	33.2

**31 CONTINGENT LIABILITIES AND SECURITY, ETC**

Land and buildings with a carrying amount of DKK 648.4 million (2009: DKK 640.4 million) include registered indemnity bonds of DKK 210.0 million (2009: DKK 210.0 million). At 31 December 2010, DKK 110.0 million has been provided as security for mortgage loan with Nykredit (2009: DKK 110.0 million).

In connection with the planning of a project in the "back" area Bernstoffsgade/Tietgensgade (Tivoli Edge), Tivoli has given notice to terminate the contract of a lessee at the end of 2008. Tivoli is obliged to pay compensation to the lessee upon vacation of the premises, if relevant. Until the Tivoli Edge project is commenced, the lease will be renewed for one year at a time. The lease has been renewed for 2011, and therefore no current liability has been recognised.

**Operating leases**

Tivoli leases cars on operating leases. The lease term is typically a period of between 3 and 6 years.

**Future expenses relating to leases**

	<b>2010</b>	<b>2009</b>
Due within 1 year	0.6	0.6
Due within 1 to 5 years	0.6	0.5
	1.2	1.1
Operating lease expenses recognised in the income statement amount to	0.7	0.7

**Rental obligations**

Tivoli rents storage and office premises. Moreover, Tivoli rents horses for the Tivoli Boys Guard Band's performance in the Gardens (1-year contracts). Moreover, an external agreement on cleaning of the Nimb house has been made.

**Future expenses relating to rental agreements**

	<b>2010</b>	<b>2009</b>
Due within 1 year	4.2	5.4
Due within 1 to 5 years	-	1.6
	4.2	7.0
Rental expenses recognised in the income statement amount to	8.0	8.0

32 **FINANCIAL RISKS**

Due to the nature of its operations, investments and financing, the Company is exposed to changes in exchange rates and interest rate levels. It is Company policy not to engage in speculation in relation to financial risks. The Group's financial management is directed solely at managing the financial risks relating to operations and financing.

For a description of accounting policies and methods, including recognition criteria and measurement basis, reference is made to the relevant sections under accounting policies.

**Currency risk**

Tivoli A/S has only limited currency positions on existing or expected future financial assets or liabilities.

**Liquidity risk**

Tivoli A/S' cash funds/overdraft facilities show material fluctuations over the year due to seasonal fluctuations. The cash requirements are fully met by the current operating profit and the possibility of drawing on the cash pool arrangement of Scandinavian Tobacco Group A/S. The credit facility amounts to DKK 230 million (2009: DKK 230 million).

**Interest rate risk**

The cash pool arrangement is a floating-rate facility. Therefore, interest income/expenses in the individual years will depend on the short-term interest rate development. Tivoli A/S does not hedge this interest rate risk.

An interest rate change of 0.5% will have a P/L effect of some DKK 0.8 million (2009: DKK 0.7 million).

In connection with raising material, long-term loans, it is Company policy to ensure that the interest rate risk is limited. This is ensured by raising a fixed-rate loan or hedging the interest rate risk of a floating-rate loan fully by an interest rate swap converting the floating rate to a fixed interest rate.

In 2008 the Company has raised a 20-year floating-rate mortgage loan of DKK 100 million for financing the Nimb reconstruction.

At the same time, an interest rate swap with a fixed interest rate of 4.97% was entered into for the full term of the loan.

Changes in the market value of the interest rate swap are recognised directly in Other comprehensive income.

If the floating interest rate is 1% above the fixed interest rate, the interest rate swap will have an annual positive effect on the Company's profit of DKK 1.0 million. If, however, the floating interest rate is 1% below the fixed interest rate, the interest rate swap will have an annual negative effect on the Company's profit of DKK 1.0 million.

**Credit risks**

In consequence of the Company's activities, receivables only arise to a minor extent. Furthermore, cash funds are utilised to a large extent to reduce drawing on the cash pool arrangement of Scandinavian Tobacco Group A/S. Therefore, the Company is not materially exposed to credit risks.

33 **CASH FLOW HEDGES**

	2010		2009	
	Amount of contract	Fair value at 31 December	Amount of contract	Fair value at 31 December
<i>Financial instruments hedging expected transactions and qualifying for hedge accounting:</i>				
Interest rate swaps	92.2	-11.0	95.5	-8.7
<b>Total financial instruments</b>		-11.0		-8.7

Fair value is recognised in financial income and expenses in the income statement.

The amount of contract has been indicated as debt outstanding at 31 December 2010. Fair value has been recognised in equity net of tax.

Financial instruments hedging expected transactions but not qualifying for hedge accounting according to IAS 39:

**Methods and assumptions for fair value calculations**

Interest rate swaps and forward exchange contracts are valued according to generally accepted valuation methods based on relevant observable swap curves and exchange rates.

Fair value hierarchy for financial instruments measured at fair value in the balance sheet	2010			Total
	Listed prices (level 1)	Observable input (level 2)	Un-observable input (level 3)	
<b>Financial liabilities</b>				
Derivative financial instruments entered into to hedge future cash flows	-	11.0	-	11.0
	2009			Total
Financial liabilities	Listed prices (level 1)	Observable input (level 2)	Un-observable input (level 3)	
Derivative financial instruments entered into to hedge future cash flows	-	8.7	-	8.7

**34 HEDGE TRANSACTIONS RECOGNISED DIRECTLY IN OTHER COMPREHENSIVE INCOME**

	<b>Hedge transactions gross</b>	<b>Tax on hedge transactions</b>	<b>Hedge transactions net</b>
Balance at 1 January 2010	-8.7	2.2	-6.5
Changes for the year	-2.3	0.6	-1.7
Balance at 31 December 2010	-11.0	2.8	-8.2
Balance at 1 April 2009	-9.0	2.3	-6.7
Changes for the year	0.3	-0.1	0.2
Balance at 31 December 2009	-8.7	2.2	-6.5

**35 RELATED PARTY TRANSACTIONS**

Tivoli A/S is controlled by Chr. Augustinus Fabrikker Aktieselskab (registered as a limited liability company in Denmark), which directly owns 25.4% of the shares of Tivoli A/S and indirectly owns 31.8% through ownership of 65.0% of Skandinavisk Holding A/S. Skandinavisk Holding A/S holds 51% of the shares of Scandinavian Tobacco Group A/S. The remaining shares of Tivoli A/S are held by a wide group of shareholders. The ultimate Parent Company is the Augustinus Foundation (registered in Denmark). Tivoli A/S is included in the Consolidated Financial Statements of Chr. Augustinus Fabrikker Aktieselskab, Copenhagen.

Related parties are the Augustinus Foundation Group, the Supervisory and Executive Boards and senior executives of Tivoli as well as their related family members.

Moreover, related parties include companies in which the said individuals have material interests.

There have been no material transactions with the Management of Chr. Augustinus Fabrikker Aktieselskab, and Skandinavisk Holding A/S. For disclosure of remuneration paid to Tivoli's Management, reference is made to note 12.

There are no material open transactions with related parties at year end except for the items recognised in payables to group enterprises in the balance sheet (cash pool arrangement under Scandinavian Tobacco Group A/S DKK 133.2 million).

Tivoli has had the following material transactions with related parties:

<b>THE AUGUSTINUS FOUNDATION GROUP</b>	<b>2010</b>	<b>2009</b>
Sponsorship from the Augustinus Foundation	1.5	2.2
Sponsorship from Scandinavian Tobacco Group A/S	0.8	0.8
Purchase of IT licences from Scandinavian Tobacco Group A/S	-0.9	-1.1
Interest on cash pool arrangement under Scandinavian Tobacco Group A/S	-3.6	-5.3

## Supplementary Information

### FINANCIAL HIGHLIGHTS, SHARE AND DIVIDEND RATIOS (Unaudited) Including unaudited comparative figures for 12 months 2008

DKK million	2010	2009	2008	2008	2007/08	2006/07
<b>FIVE YEARS' KEY FIGURES</b>	(12 months)	(12 months)	(12 months) (unaudited)	(9 months)	(12 months)	(12 months)
Revenue incl tenants and lessees	973.1	948.2	1,008.2	951.8	1,031.6	983.9
Revenue	622.2	622.4	602.2	569.3	581.7	579.8
Net revenue	580.5	574.8	552.4	531.0	535.0	534.2
Expenses before depreciation, amortisation and impairment	535.5	528.5	507.4	434.6	481.0	463.5
Earnings before interest, tax, depreciation and amortisation	83.7	93.9	94.8	134.7	100.7	116.3
Depreciation, amortisation and impairment	66.2	61.9	57.2	44.4	63.6	59.4
Earnings before interest and tax (EBIT)	17.5	32.0	37.2	90.3	37.1	56.9
Net financials	-8.3	-11.0	-15.5	-12.9	-8.7	-4.6
Profit before tax	9.2	21.0	21.7	77.4	28.4	52.3
<b>Profit for the year</b>	6.0	15.7	15.6	56.5	20.5	37.6
<b>Comprehensive income for the year</b>	4.3	15.9	8.9	49.8	20.5	37.6
Non-current assets	864.3	872.4	825.9	825.9	801.9	722.2
Current assets	77.3	68.1	72.2	72.2	88.9	82.0
Total assets	942.1	940.5	898.1	898.1	890.8	804.2
Share capital (Tivoli A/S)	57.2	57.2	57.2	57.2	57.2	57.2
Equity	588.4	588.0	580.5	580.5	535.8	524.7
Non-current liabilities	100.4	109.2	110.6	110.6	3.0	-
Current liabilities	253.3	243.3	207.0	207.0	352.0	279.5
Invested capital	798.3	795.7	757.9	757.9	784.5	713.1
Cash flows from operating activities	58.0	72.7	96.5	153.8	93.5	68.6
Cash flows from investing activities	-58.3	-62.7	-126.5	-73.8	-140.4	-130.3
Hereof invested in property, plant and equipment	-58.3	-63.8	-123.1	-68.3	-134.7	-126.5
Cash flows from financing activities	2.4	-19.5	45.3	-60.7	41.3	63.2
<b>Total cash flows</b>	2.1	-9.5	15.3	19.3	-5.6	1.5
EBIT MARGIN	3%	6%	7%	17%	7%	11%
Solvency ratio	62%	63%	65%	65%	60%	65%
Return on equity (ROE)	1%	2.7%	2.7%	10.1%	3.9%	7.4%
Earnings in DKK, per share of DKK 100 (EPS)	10.5	27.5	27.3	98.8	35.9	65.8
Dividend in DKK, per share of DKK 100	2.62	6.87	-	14.76	9.00	16.44
Share price in DKK, end of year	3,251	3,239	3,000	3,000	3,800	4,370
Number of employees	683	782	717	818	695	688
<b>SHARE AND DIVIDEND RATIOS</b>						
Average number of shares ('000)	571.7	571.7	571.7	571.7	571.7	571.7
Earnings in DKK, per share of DKK 100 (EPS)	10.5	27.5	27.3	98.8	35.9	65.8
Cash flows from operating activities in DKK per share (CFPS)	102	127	169	269	164	120
Net asset value in DKK per share, end of year	1,029	1,029	1,015	1,015	937	918
Share price in DKK, end of year	3,251	3,239	3,000	3,000	3,800	4,370
Dividend in DKK, per share of DKK 100	2.62	6.87	-	14.76	9.00	16.44
% payout ratio	25%	25%	-	15%	25%	25%
Price/earnings ratio (PE)	310	118	110	30	106	66
Price/cash flow (PCF)	32	25	18	11	23	36
Price/net asset value (P/NAV)	3.16	3.15	2.95	2.95	4.05	4.76





## Tivoli's Sponsors 2010

Tivoli thanks its sponsors for good working relationships in 2010.

### Friday Rock

was presented in cooperation with Royal Unibrew



Main sponsor

and Sony Ericsson and Telenor



### The Nimb Dairy

was presented in cooperation with SPX Flow Technology



and Chr. Hansen



*Improving food & health*

### The Tivoli Boys Guard Band

was presented in cooperation with Bikubenfonden



### School Days

was presented in cooperation with DONG Energy



Climate partner of Tivoli

### Halloween at Tivoli and Santa's Sledge

were presented in cooperation with Haribo



### Uniforms at Tivoli

was presented in cooperation with Indiform



### Delivery of mail at Tivoli

in cooperation with Post Danmark



### Quality Street at Christmas

was presented in cooperation with Nestlé



### Copenhagen Jazz Festival

was presented in cooperation with Scandinavian Tobacco Group A/S

SCANDINAVIAN TOBACCO GROUP

### The Flying Trunk



was presented in cooperation with the Kjeldsen Group

We also thank the Augustinus Foundation



